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FBIS-EEU-93-153 *11 August 1993*

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Bosnian President Returns to Peace Negotiations

AU1008173793 Belgrade Radio Beograd Network in Serbo-Croatian 1700 GMT 10 Aug 93

[Report by Natasa Ojdanic from Geneva]

[Text] A sudden turnabout took place in the peace negotiations on Bosnia-Herzegovina. The almost paralyzed atmosphere in the negotiations has been revived after the sudden arrival by Alija Izetbegovic in the Palais des Nations. The leader of the Bosnian Muslims had previously refused to take part in today's conference work, repeating the earlier precondition that the Serbian forces withdraw from Bjelasnica and Igman.

Izetbegovic's appearance in the negotiating hall was a big surprise and a relief, as it has been thought that the current round of talks in Geneva could suffer a complete debacle.

Cochairmen Owen and Stoltenberg held talks with Radovan Karadzic early afternoon. The handover of Igman and Bjelasnica to UN peace forces was the focus of the talks. In the afternoon, Owen and Stoltenberg were supposed to meet with Alija Izetbegovic. This meeting was then supposed to have been followed by a joint meeting between the cochairmen and Karadzic and Boban.

According to unconfirmed information, the Serbian and Croatian sides should definitely agree on the program for mutual territorial delineation. There has been no fighting between the Serbs and Croats in Bosnia for five months. This is seen here as the most significant precondition for the beginning of the delineation and pacification process.

The content of the talks between the cochairmen and Izetbegovic is being held in strictest confidence. However, it has unofficially been learned that the topic of the talks was Sarajevo. The diplomatic representatives in the Palais des Nations think that a joint meeting of the three ethnic leaders could be held as early as tomorrow. This would signify a modest shift toward a general peace agreement.

Izetbegovic Still Absent

LD1108110293 Belgrade TANJUG Domestic Service in Serbo-Croatian 1017 GMT 11 Aug 93

[Excerpt] Geneva, 11 Aug (TANJUG)—The cochairmen's bilateral contacts with delegations of the republic of Srpska and the rump Presidency of Bosnia-Herzegovina this morning have not begun at the agreed upon time. Bosnian Muslim leader Alija Izetbegovic has not turned up at the Palais des Nations because he is waiting for the fulfillment of the condition he set earlier: the withdrawal of Serbian forces from Mt. Igman and Mt. Bjelasnica.

Republic of Srpska president Radovan Karadzic said before his meeting with Owen and Stoltenberg this morning that the withdrawal of the Serbian forces from these two mountains is progressing substantially. He categorically denied a report by Reuter on the alleged retaking of these two mountains. "That was only the replacement of a small unit and not the retaking of positions," the republic os Srpska president said. "Only General Briquemont can send reports to this effect."

Owen and Stoltenberg, mediators of the peace negotiations, had planned to continue the conference this morning—provided that conditions were met—with bilateral meetings with the delegations of the three warring sides. The first meeting with Karadzic and Izetbegovic should have begun at 1000, and then the cochairmen were to meet [Bosnian Croat leader Mate] Boban and Izetbegovic. [passage omitted]

Presidency Holds Session

AU1108111093 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1000 GMT 11 Aug 93

[Report by Nada al-Isa]

[Text] [Words indistinct] new session of the Presidency of Bosnia-Herzegovina. They are discussing what is to be the next step taken in the negotiations, providing they are to resume at all. [Words indistinct] that is, there is no indication that the aggressor's army has withdrawn from Mt. Igman and Mt. Bjelasnica. Present at the session are [words indistinct] which means all the representatives of the Croatian [word indistinct]—Franjo Boras, Miro Lasic, and Mile Akmadzic. [Words indistinct] to discuss at the session all the important issues regarding the future of Bosnia-Herzegovina.

As is known, the above mentioned three members of the Presidency have decided not to participate in the Presidency's work, except in cases when existential issues for the state of Bosnia-Herzegovina are being discussed, that is [words indistinct]. It is still uncertain when the negotiations on peace will be continued. This depends on the situation on Mt. Igman and Mt. Bjelasnica, in Sarajevo, and in all of Bosnia-Herzegovina.

We have just learned that, this morning in Geneva, the war criminal Radovan Karadzic said that the aggressor's army is withdrawing from both Mt. Igman and Mt. Bjelasnica. You, dear listeners in Sarajevo, will know whether this is true or not, while we in Geneva can only report yet another statement. We might know just how true it is, or whether it is true at all after the session of the Bosnia-Herzegovina Presidency, because, if it is decided at the session that the delegation will return to the negotiations, then this means that the aggressor's army is withdrawing. Until then, everything remains uncertain.

Sarajevo Radio on Talks

AU1008160793 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 10 Aug 93

[Report by Nada al-Isa from Geneva]

[Excerpts] This is another day of waiting in Geneva, waiting for the aggressor to withdraw from Mt. Igman and Bjelasnica, waiting for the talks to resume. However, without the withdrawal of the aggressor's army there will be no talks.

Talks between the Bosnia-Herzegovina Presidency members and international mediators Owen and Stoltenberg were supposed to take place this morning. However, a quarter of an hour before the talks were supposed to start, Lord Owen telephoned President Izetbegovic to tell him that talks were postponed until this afternoon. The reason—as above. [Words indistinct] there was no point in continuing the talks while Bosnia-Herzegovina was still being destroyed and the aggressor was not withdrawing. [passage omitted]

There has been some relief in Geneva after NATO's decision that the aggressor must immediately lift the siege in Sarajevo. Upon hearing this, Bosnia-Herzegovina Foreign Minister Haris Silajdzic told us: This decision will introduce more of a balance and justice to the Geneva talks; so far only brute force has been respected. We expect that the aggressor will withdraw from both Mt. Bjelasnica and Mt. Igman as that is the precondition, the minister said, for the talks to continue.

I have to tell you, dear listeners, how war criminal Radovan Karadzic commented on NATO's decision. He literally said to the reporters: NATO? What is that? We will disband NATO if need be.

What can one say to that? May God let him discover what NATO is, and may God let him feel NATO's power.

We have been telling you these last few days that there are two maps on the table in Geneva on the future internal organization of Bosnia-Herzegovina—the Serbo-Croat map and the Bosnia-Herzegovina map. Today we have another detail [word indistinct]. We have found out from a very liable source that we cannot name as yet, that Fikret Abdic, member of the Bosnia-Herzegovina Presidency, supports the Serbo-Croat map, which would place Bugojno, Donji Vakuf, Gornji Vakuf, Jajce, Novi Travnik, [word indistinct] Travnik, Mostar, and [word indistinct] in the Croatian section. As is known, President Izetbegovic has proposed that these towns be placed under joint management because of the degree to which the population is integrated there. So as you can see, it is still maps, maps, and maps in Geneva, and in that order, too.

Ganic: 'No Withdrawal' Yet

AU1008182693 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 10 Aug 93

[Text] The stance of the Bosnia-Herzegovina delegation is not to continue talks until verified information arrives in Geneva that the aggressor has withdrawn from Mt. Igman and Mt. Bjelasnica, Bosnia-Herzegovina Presidency member Ejup Ganic told B-H PRESS today.

According to Ganic's latest information, the Serbian-Montenegrin aggressor has withdrawn from Mt. Bjelasnica only partially, while so far no withdrawal from Mt. Igman has been registered.

Berisha Asks UN To Halt Conflict in Kosovo

AU1008205393 Tirana Radio Tirana Network in Albanian 2000 GMT 10 Aug 93

[Text] President of the Republic Sali Berisha has asked the UN Security Council and NATO to take measures to halt the conflict in Kosovo. In a statement published today, President Berisha stresses the provocative character of the act committed by Serbian soldiers last Friday, who shot and wounded two Albanian soldiers and one civilian. He points out the continuity of these acts on the part of the Yugoslav authorities. Since the beginning of 1992, 23 Albanian citizens have been killed and others have been wounded. But last week marked a new increase in Serbian state terrorism against the Albanian population in Kosovo with provocations by forces commanded by Seselj's ultra-nationalists.

The statement further states that these repeated and escalating acts, as well as the waves of ultra-nationalism that have sprung up in other countries and which seek partnership with the Serbian regime, testify to a strategy followed by Belgrade and its friends in the region, who aim to increase tension, destabilize the southern Balkans, and encourage the spread of war.

I call on the Security Council, NATO, and other international organizations to take appropriate measures to prevent the outbreak of a conflict in the southern Balkans, which undoubtedly would engulf the whole peninsula.

On this occasion, we reiterate our point of view that the solution to the question of Kosovo's status can be achieved by linking it to the lifting of the embargo against Serbia and by placing Kosovo under NATO or UN control.

ATA Views Security Council Interest in Kosovo

AU1108105893 Tirana ATA in English 1038 GMT 11 Aug 93

[UN Security Council Interest in Kosova Growing—ATA headline]

[Text] Tirana, August 11 (ATA)—The resolution of the UN Security Council asking Belgrade to review its ouster of the CSCE observer mission from Kosova gives evidence of the growing concern of the international community with the situation in Kosova. The raising of this question in the UN Security Council demonstrates the determination of the 5 permanent UN Security Council members to prevent the expansion of the Bosnian conflict into Kosova. International diplomacy is now playing an active role in the search for a solution to the problem of the Albanian ethnic minority in Kosova, which has long been of great concern to the government in Tirana.

The resolution demands that Belgrade allow the return of the CSCE observers to Kosova in even greater numbers than before. This demand comes at a time when Serbia seems to have had a free hand to intensify its repression and violence in Kosova, far from the sight of international observers and world opinion. By their latest acts in Kosova, the Serbs have defied the international community and tried to deceive the world by their alleged readiness to contribute to the search for peace in Bosnia hoping that international sanctions against Bosnia [as received] would then be removed. The UN Security Council resolution shows the Serbs that international community does not consider the question of Kosova to be only an internal concern of Serbia. On the contrary, it appears that the world is not prepared to tolerate Serbia's violent suppression of the ethnic Albanian minority.

A Serbian refusal to implement this UN resolution would pose another challenge to the world organization and would compel the United Nations to undertake other measures to reinforce international sanctions against Serbia.

Court Rejects Socialists' Appeal of Nano's Arrest

AU1008202793 Tirana Radio Tirana Network in Albanian 1730 GMT 10 Aug 93

[Excerpts] [Announcer] At 1300 [1100 GMT] today, the Constitutional Court gave its verdict on the demand presented by the Socialist Party parliamentary group to proclaim anti-constitutional the decision by the Tirana Prosecutor's Office to arrest deputy Fatos Nano.

[Begin unidentified court spokesman recording] [passage omitted] For this reason, based on Articles 24, 25, and 26 of Law No. 7,561 dated 29 April 1992, Amendments and Supplements to the Law dated 29 April 1991, and Main Constitutional Provisions, the Constitutional Court of the Republic of Albania rejects the request by the Socialist Party Parliamentary Group to proclaim as anti-constitutional the Tirana district prosecutor's decision, dated 30 July 1993, to arrest deputy Fatos Nano.

This is a final decision and is strictly binding.

Tirana, 10 August 1993. [end recording]

[Announcer] After the hearing, the chairman of the Socialist Party Parliamentary Group Namik Dokle made a press statement in which he described as unacceptable the Constitutional Court's decision.

Serreqi Discusses Reform With UNDP Mission

AU1008203093 Tirana ATA in English 0844 GMT 10 Aug 93

[Text] Tirana, August 10 (ATA)—The Albanian Foreign Minister Alfred Serreqi also met on August 9 with the UNDP [United Nations Development Program] mission. Mr. Serreqi made a presentation of the situation in Albania and described the efforts of the government to carry out its program of economic reform. "Albania," he pointed out, "has been isolated for half a century and has suffered greatly under the communist regime. Albania's

was not only a physical isolation, but also a political one, separating the country from the rest of the world. Therefore, we will need a great support, both economic and technical, from the developed countries and specialised international organizations. In this respect, we appreciate the role and contribution of the UNDP and its programs for the development of the Albanian economy, science, and culture."

"Difficulties Albania is facing now," Mr. Serreqi said further on, "are becoming greater as a result of the tension in the region, especially the crisis in former Yugoslavia, making our needs even more urgent. Now we need not so much food aid as development projects and investment to reactivate the economy and to generate greater employment opportunities."

The mission of the UNDP Governing Council voiced their readiness to help Albania with concrete projects and technical assistance in the future.

Arbnori Meets With UNDP Mission

AU1008202993 Tirana ATA in English 0847 GMT 10 Aug 93

[Text] Tirana, August 10 (ATA)—"We are an open democratic country and are working on economic and political reform to integrate Albania into the ranks of the advanced nations," Pjeter Arbnori said in his meeting with the visitors from the UNDP [United Nations Development Program] Governing Council. Arbnori pointed out that "the Albanians are an industrious people. Although isolated by the terrible conditions imposed by the communist rule, the Albanian people have tried to open an window of communication with the world. Our specialists, although working under difficult conditions, have tried to keep abreast of modern science, and they will be able to carry out projects financed by the UNDP. However, we will still need your assistance in enlarging our concepts and modifying our methods of management and production to guarantee continued progress."

The participants in the meeting exchanged views on the role of the diaspora in Albania's development, including greater involvement of Albanian emigrants in the country's development projects and on other matters.

Dokle Criticizes Government 'Propaganda'

AU0908201493 Tirana ZERI I POPULLIT in Albanian 21 Jul 93 p 2

[Article by Namik Dokle, chairman of the Socialist Party parliamentary group: "The Deceptions of Official Propaganda Try To Hide the Truth in Albania"]

[Text] The Meksi government has now been at work for more than one year. What has really happened in Albania?

The promised investments have not arrived. Unemployment has risen to a critical level. Obstacles in the way of enforcing the Land Law have produced more conflict and confusion than benefit, and the law on restoring property to former proprietors has further exacerbated the situation. Remittances from refugees are the sole source of income for the state budget and families. Most foreign investors withdraw as soon as they meet members of our goverment or branches of our central administration. The economic difficulties, the tense social situation, the lack of peace, and the fatal tardiness of foreign and domestic investments have created a vicious circle, whose noose is tightening every day. It is now clear to eveybody that the Meksi government, with its inability to take the proper steps at the proper time, has paralyzed vital sectors of the economy and obstructed the reform, while ministerial antechambers have been turned into meeting places for all kinds of wheeler-dealers.

The only matter over which the government now raises its voice is restraining inflation. When such a thing happens without any growth in production or any fall in unemployment and the budget deficit, it is obvious that it has its origin in the plunder and impoverishment of the people. The poverty of thousands of families, especially those without earnings from emigrants, has reached a critical point. When the government boasts of having restrained inflation, it is demonstrating total economic ignorance in the eyes of any professional or even the most mediocre economist. Why does it therefore do this? Purely for party propaganda. May it therefore be taken as such.

The "blame" for the paralysis of Albania's economy is still regularly cast on the Nano government of 1991, which was in power for no longer than three months, or sometimes on the Stability Government, although these governments deserve great credit for putting on a sound footing the great project for solidarity and support from Italy and the other EEC countries, whose aid has been vital for the Albanian people for almost two years, up to the present day.

The present official press, whether under the masthead of RILINDJA DEMOKRATIKE (the official organ of the ruling party) or under the cover of other professionally undistinguished rags, has for a long time been poisoning the Albanian atmosphere by spitting lies and slander, not only against the Socialist Party [PSSh] and its chairman and other personalities, but even against the politicians, ambassadors, or other diplomats of civilized neighbouring countries, who in the period when the Albanian people have been in the greatest need have not hesitated to work and make sacrifices in order to ensure our country the greatest amount of aid and solidarity, and to minimize its suffering. The so-called official journalists who are in such a hurry to spout slander and to bite the hands that, until yesterday, fed them, instead of making the effort to sound the thoughts and opinions of thousands of Albanian citizens who have benefitted from this aid, have chosen the role of heedless stewards, publishing only what tickles the fancy of a clan whose deceptions and corruption have now long been exposed.

RILINDJA DEMOKRATIKE, a victim of the political passions and instructions of the new Rasputin of the Palace of Brigoden, i.e. the minister-and-a-half who directs the State Control Commission, issues accusations left, right, and center, and spouts untruths in order to gain privileges from his patron, makes not the slightest effort to issue information for a free press, but maintains a totally one-sided attitude, defending prejudged theories in the service of diabolical political aims. Thus, the truth is subverted on purpose and the country suffers incalculable harm.

The so-called "struggle against corruption" long ago lost its true value and, as the most ignorant among us realize, has been transformed into a politically motivated campaign. We might remind Mr. Cela, who claims to moralize to us all with his bogus files filled with lies and prejudged accusations of guilt without any logic, facts, or evidence, of Renard's maxim: "I have known many a scoundrel who did not pretend to moralize, but never a moralizer who was not a scoundrel."

The dignity of correct public information requires all available news to be issued and commented upon without it in any way being made inflammatory. The essential role of a democratic press is to inform people and make reality comprehensible to them with attested facts, not to add to confusion, or, still worse, to direct public opinion by force toward vindictive judgments and standpoints with incalculable consequences. Freedom of expression is sacred, but can never be separated from proper responsibility and respect for democratic values, which are the basis not only for a civilized community but for relations among states.

It is not always true that facts exist simply because they are published in RILINDJA DEMOKRATIKE, or that they do not exist because RILINDJA DEMOKRATIKE does not mention them, as continues to be the case with the scandal that has enveloped the Albanian State Bank, its governor, Mr. Hoti, and the Democratic Party [PD]. This scandal that has not only damaged the country, but has had the intention of delivering another official slap in the face to our generous neighbor, Italy.

Why does RILINDJA DEMOKRATIKE not explain to the people the final destination of the $1 million and more paid to a French mountebank, with the partnership of Finance Minister Ruli and Bank Governor Hoti, for a service that Italy was performing free of charge through such respected figures as former prime minister Amato and Andreatta, the present foreign minister? Do the PD and RILINDJA DEMOKRATIKE not realize that their misguided policies and indigestible propaganda are making the international community indifferent to our country? It is not only the Italian press, but also the American press that no longer deals with Albania; the INTERNATIONAL HERALD TRIBUNE published an article on 21 June 1993 describing the situation in Albania as going "from bad to worse." The as yet unclear policies and arrogance of some so-called democratic ministers have repeatedly given Greece chances to openly justify anti-Albanian measures. It required the tragedy of thousands of Albanian refugees to dot the "i"s on many problems and finally to call a halt to chauvinist appetites.

Politics cannot be conducted by either feelings, sentimentalism, or resentment. Unfortunately, the Albanians today are obliged to do the same as the Italians in 1943, when tens of thousands of fascists were converted into partisans, declaring themselves to be born antifascists. In just this way, after 50 years, many Albanians have been obliged, out of essential self-interest, lack of character, or fear, to present themselves as fans of the Democrats. Some did this in order to seize the opportunity to settle accounts or not be left further behind in the new political current of the so-called new democratic revolution. These converts have become all the more savage in order to overcome the feeling of suspicion that other people have toward them, or which they nurture within themselves. Those who served the dictatorship behind the scenes as diplomats, commissars, adoring reviewers of the works of Enver Hoxha, or his doctors, now strain to persuade us that they are symbols of dissent and democracy. Those who until yesterday showed off photographs taken together with Enver or Ramiz, or standing behind them, now lecture us about democracy. Courtiers they were, and courtiers they remain, because, as we know, the sultans were changed, but not the court.

What were the country's present leaders until yesterday. Were they persecuted or privileged? Where did they go to study? How were they able to travel abroad? Deputies, ministers, commissars, and high officials hasten to outdo each other in mindless statements, concealing from people their sins or their carefully planned and ill-gotten gains. They do not wish to realize that soon they will be called to account for the investments that have never come, unemployment, corruption, the widespread crime, and the increasing international indifference they are bringing upon Albania. Nobody, of course, will ask for the reasons, whether because of ignorance or electoral fever, why they shouted, "We govern; the world helps us." This preelection language is familiar. But everybody has the right to call them to account for the perversion of this slogan into a tragic reality for the country: "The world helps us; we steal!"

The dictatorship was overthrown, but its corpses emit the same old stench. It survives not as a regime as such, but in the misuse of power by those in office, in the violation of democratic ideals, and in the deception of those who held these ideals high, but never enjoyed them. However, the times at least have changed. If the communist dictators were made accountable only after their death, the postcommunist dictators will be accountable to every new verdict that the people will pronounce in free elections.

Privatization of Food Industry Begins

AU1108050093 Tirana ATA in English 1058 GMT 9 Aug 93

[Text] Tirana, August 9 (ATA)—Food industry, one of the most important industries, has now entered the phase of privatization. 260 enterprises have been put at auction. Their technology is old and cannot cope with the economic development. Statistics, which have not been so regular in this period, reveal that food production in 1991 has dropped compared to 1988. Consequently, the production of sausage in 1992 was 33 tons [tonnes] compared to 1,349 tons in 1988. The production of beer is now 4,826 hectolitres out of 182,021 hectolitres in 1989.

Statistics show that there is some profit from the selling of these products at high prices. The idea exists that when factories will be sold to workers by auction, then it will be easier for foreigners to get involved in this industry. Many factories of cooking oil, soap, beer have signed contracts with foreign investors, but the same cannot be said for the factories of canned products. "But one of the main points that is going to bring about changes in the Albanian economy is by changing the concept of the peasant," said Hajredin Zajmi, head of the Food Branch at the Ministry of Agriculture and Food. "If peasants are going to plant such crops as wheat, maize, tomato, they will be sent to industry. Hence, the ministry or the foreigners will operate while the raw material will be bought and processed in Albania. This will be one of the ways to develop the economy," Mr. Zajmi said.

Mikhov Denies Involvement in Planned NATO Strikes

AU1108093993 Sofia TRUD in Bulgarian 6 Aug 93 p 1, 3

[Report by Ivan Genov: "Bulgaria Is Not Preparing Air Fields for NATO Strikes in Bosnia"]

[Text] Bulgaria does not intend to let its airfields be used for the anticipated NATO air strike against the Serbian positions in Bosnia. We shall also not let our equipment be used, despite the fact that an eventual operation will begin with the explicit permission of the UN Security Council. This became clear from a statement for TRUD made by Lieutenant General Mikho Mikhov, commander of the Air Force and the Antiaircraft Defense. Our position of noninterference has not been changed since the time when speculations about allowing Turkey to use a land corridor for the Turkish troops heading for the former Yugoslav Republic were denied, experts say.

On 5 August Lt. Gen. Mikhov said: "We have received no order to allow the use of airfields and technical equipment for an eventual UN and NATO air operation in former Yugoslavia." However, if circumstances change and a tendency toward an escalation of tension in the air space across our western border emerges, we must increase the requirements regarding the intelligence and the readiness of the Air Force.

This week in Brussels NATO adopted a principled decision to punish the Serbs if they do not comply with the ultimatum to lift the siege around Sarajevo. U.S. President Clinton is ready with the operation plan, but France and the UK, which have "blue helmets" in Bosnia, still hesitate. On Monday [9 August] at a new meeting the 16 members of the Atlantic Pact must finally decide whether they will strike. In the final analysis such an operation will be subject to the approval of the UN Security Council.

General Mikhov said that the situation in our sky is not rosy anyway. The antiaircraft defense and control system is overburdened, because 1,000 civilian airplanes overfly the country every 24 hours. However, the military air controllers receive only crumbs from the taxes the air companies pay in foreign currency.

Gen. Mikhov also said that the delay in paying the wages of the military should not have been allowed, because it could finally undermine their motivation. Their economic situation is poor as it is.

This was the unanimous opinion of the Air force and Antiaircraft Defense Command, expressed at the meeting of the Military Council, which took place this week. The Military Council also discussed cadre issues. There have been no mass cuts among military born in 1946 and 1947. If the Military Council and the General Staff approve at their 6 August meeting the composition of personnel in the various branches, the Air Force and Antiaircraft Defense will have enough personnel and will be able to implement their tasks. However, Gen. Mikhov warned that the situation with combat equipment could become critical. There is an acute shortage of kerosene and spare parts.

Commentary on Government Position on Bosnia

AU1108090293 Sofia KONTINENT in Bulgarian 9 Aug 93 p 8

[Commentary by Maksim Bozhilov: "Does Bulgaria Have a Position?"]

[Text] A military operation on the part of NATO in Bosnia-Herzegovina acquired real dimensions last week. At the U.S. initiative, the ambassadors of the NATO member-states adopted a decision to work out a plan on air strikes against Serbian targets in Bosnia. On Saturday [7 August], the United States made a step toward implementing this plan and announced that it will bomb targets after obtaining the agreement of the appropriate UN officers of the troops deployed in bosnia. Such an agreement could be obtained rapidly against the background of the present world situation.

All this is well-known to the competent Bulgarian authorities. However, they have again assumed the tactic of the ostrich—they have buried their heads in the sand and decided to wait for the storm to pass. However, the storm that will emerge will not spare them, Bulgaria, or the Balkans.

On Friday [6 August], the Romanian president categorically opposed the operation that is being prepared. The aforementioned Bulgarian authorities know this, yet they remain silent. This means that they apparently do not agree to Iliescu's argument, namely, that peace cannot be imposed by force. Apparently they see another solution to the conflict other than rendering diplomatic support to the political dialogue.

The government, parliament, and Presidency should again ponder upon the dangers that loom over Bulgaria and form a clear position on the conflict. If this position differs from the Romania one, which coincides with the Greek and other neighboring countries, they should publish its reasons, so that each one could assume the appropriate responsibility.

Assembly Adopts Amendment to Turnover Tax Bill

AU0908202093 Sofia BTA in English 1806 GMT 9 Aug 93

[Text] Sofia, August 9 (BTA)—At today's extraordinary sitting the National Assembly finally adopted the bill amending the Turnover Tax and Excise Duty Act submitted by the government. Due to the lack of a quorum at their sitting held at end of July before the summer recess, the Bulgarian lawmakers failed to adopt the last paragraph of the bill. Today's sitting was convened at request of the government which it made last Monday [2

August]. Prime Minister Lyuben Berov came up with a statement saying that if the bill was not passed, the Exchequer would be losing considerable contributions for at least a month and a half.

Today's sitting, which lasted about two hours and a half, was attended by MP's of the parliamentary group of the Bulgarian Socialist Party (BSP), the ethnic Turks' Movement for Rights and Freedoms (DPS), the New Union for Democracy (NUD), set up by MP's who split or were expelled from the Union of Democratic Forces (SDS), and independent MP's. Last Wednesday the parliamentary SDS announced that it would not assist the government whose resignation it wanted. There were only two SDS MP's in parliament today. The sitting was attended by Prime Minister Lyuben Berov, Finance Minister Stoyan Aleksandrov and other ministers of the cabinet.

The lawmakers voted down the government's motion for raising the excise duty on tobacco products to 70 percent, tobacco products will be charged with excise duty of 60 percent. The proposal for a lower excise duty was defended by the parliamentary DPS as a large part of its followers are engaged in tobacco-growing. "This will be a hard blow at tobacco-growers who are anyway in a very grave situation," DPS MP Hasan Ali pointed out in parliament today. SDS MP Ventseslav Dimitrov, chairman of the Parliamentary Budget Committee, and BSP MP Georgi Nikolov also insisted on setting the excise duty on tobacco products at 60 percent. Parliament voted in favour of the government's motion to levy 60 percent excise duty on ordinary types of rakiya [plum brandy]. Cards, backgammon, bagatelles, bowling etc., will be charged with a turnover tax of 40 percent. The excise duty on diesel fuel was set at 30 percent instead of 35 percent as proposed by the government, on propane-butane gas—10 percent (the government's proposal was for 15 percent). The lawmakers accepted the government's motion to set the excise duty on higher octane numbers petrol (A-96 and A-98) at 60 percent and on lower octane numbers petrol (A-86 and A-93) at 50 percent.

The MP's did not debate the amendments to Decree No. 56 on economic activity proposed by the government because they had not been approved by the Parliamentary Legislative Committee yet. Earlier today the socialist MP's withdrew their motion for holding another extraordinary sitting on Wednesday to consider the amendments to the Academic Decommunization Act and the draft resolution for a moratorium on the demolition of monuments that belong to Bulgaria's contemporary history.

Interviewed by journalists after the end of today's sitting, Prime Minister Berov said that the adoption of the act amending the Turnover Tax and Excise Duty Act could not resolve the problems of the Exchequer but would resolve some problems of the immediate future. The legislation is satisfactory for ensuring some most urgent payments made by the Exchequer such as salaries and pensions, the prime minister said. Replying to another question, Prime Minister Berov pointed out that his government is not a government of any of the groups which support it, it is a government supported by a group of MP's who believe that it defends the national interests.

Socialist MP on Indictments of Communist Leaders

AU1108050293 Sofia BTA in English 1846 GMT 10 Aug 93

[Text] Sofia, August 10 (BTA)—Aleksandur Lilov MP of the Bulgarian Socialist (ex-Communist) Party and former party leader was summoned to the National Investigative Service today along with another three former communist leaders. Prosecutor Mikhail Doychev handed up to them indictments for gross misuse of funds while in office in connection with the case of extending grant aid to third-world countries and communist parties abroad. Twenty-two former communist top functionaries and members of governments during the communist regime face charges in the case.

Aleksandur Lilov, former leader of the Bulgarian Socialist Party (BSP), former Politburo member, secretary of the Communist Party's Central Committee and member of the State Council in the past, is now considered one of the BSP policy-makers in shadow. He was stripped of his MP's immunity on January 19, 1993. Mr. Lilov told journalists today that he could not accept the indictment as he had violated none of the laws effective in Bulgaria at the time specified in the indictment. Bulgaria had a stable economy and a small debt when the assistance was granted, Mr. Lilov said. According to him, the indictments were issued in preparation for a "brutal" political trial. Andrey Lukanov, another Socialist MP whose immunity was lifted on July 7, 1992, also faces charges in this case.

The statements of the accused that Bulgaria gave purely humanitarian assistance to third-world countries are untenable, Prosecutor Mikhail Doychev told BTA today. The UN decisions concerning the percentage of the GDP [gross domestic product] allocated for assistance to underdeveloped countries are only a recommendation, he said. According to Mr. Doychev, the United Nations has never considered Bulgaria a highly developed country. The accused are forgetting that besides unsold goods, Bulgaria donated products imported against hard currency as well as arms, the prosecutor said. The prosecution and the investigators have not considered cases when Bulgaria provided purely humanitarian aid, Mr. Doychev specified.

Statistics on Land Restitution Reported

AU1008105793 Sofia BTA in English 0949 GMT 10 Aug 93

[Text] Sofia, August 10 (BTA)—According to statistics published in today's TRUD, only one-fifth of the land has been actually restituted. The land allocated for temporary and permanent use totals 34.42 percent.

About 300,000 hectares in 254 population centres have been restituted to their owners under land distribution plans. Along with the 600,000 hectares of land reversed within its existing original boundaries, this makes about 18.35 percent of the arable land, the owners of which have proof of title and can immediately obtain title deeds.

According to the head of the Land Reform Department at the ministry of Agriculture, there is no slowdown of the land reform. The portions of the property of the former cooperative farms (set up through collectivization in the 1950-60's), which the liquidation councils are to distribute among owners depending on the land contributed to cooperative farms, have been determined. Forty-seven liquidation councils have already wound up their activity and half of them have applied to the regional courts to strike off the cooperative farms from the registers—a formality ending the land restitution procedure. However, there are many complaints about the decisions handed down by land commissions—69,000 complaints concerning about 100,000 hectares of land.

At the end of June, the government published a land distribution schedule for each of the previously existing regions. As things are, however, Prime Minister Lyuben Berov is very likely to fail to keep his promise, TRUD says citing specialists today.

Study Shows Pessimism Among Population Growing

AU0908201193 Sofia BTA in English 1235 GMT 9 Aug 93

[Text] Sofia, August 9 (BTA)—49.4 percent of Bulgarians see no prospect of prosperity, according to a sociological survey carried out by the Sociology Institute with the Bulgarian Academy of Sciences between March and May, quoted in detail in today's DUMA. Pessimists have increased 6 percent in a year. Fewer people believe there is a way out of the crisis. The first survey of this kind was carried out between March and May 1992.

Over two-thirds of Bulgarians are worse off than they were about four years ago. 72 percent of Bulgarians believe they lived better before the start of reforms, as against 66 percent of respondents last spring. The proportion of Bulgarians who are better off now dropped from 8 percent in 1992 to 5.3 percent.

The latter group, about 5 percent of Bulgarians, report a monthly income of over 4,000 leva per member of the family (the current exchange rate is 27 leva to the dollar). The survey shows a 12-fold differential between minimum and maximum incomes in this country. 72.5 percent of Bulgarians live below the poverty line. Only those who are well-off, between 3 and 8 percent of respondents, can afford to buy a flat or villa or durable goods such as cars, furniture and electrical appliances. 1.3 percent of households assess their current circumstances as excellent and 3.5 percent as very good. About half of households evaluate their circumstances as bad or strained.

In 1992, 8.3 percent of families had to sell some of their property to buy food and clothes. About the same number of people expect they will have to do so this year.

About three-quarters of Bulgarians have to economize on food and cannot afford to buy staple foods. 45 to 75 percent of respondents cannot afford new clothes and footwear. Two-thirds of families can make ends meet without a current income for a month only.

19 percent of Bulgarians are in utter despair of their present circumstances and believe they cannot do anything to change them. 7.5 percent would stop at nothing, even crime, to find a way out. 97 to 99 percent of respondents say they do not have the money to start their own business. The same proportion of Bulgarians cannot raise a loan because they have nothing to pledge and cannot pay interest. Only 4.7 percent are planning to form their own companies.

Klaus: Government Sticking to Economic Program

AU1008111193 Prague HOSPODARSKE NOVINY in Czech 6 Aug 92 p 1

["(pra)"-signed report: "The Government Still in the Main Economic Stream, Klaus Says"]

[Excerpt] "The direction and the tempo of economic transformation has not changed at all. If someone says that we applied extremist monetary policy in the past, and that now we are applying the opposite extreme—that is, social market economy—then he is mistaken in both cases," Vaclav Klaus said when asked by HOSPODARSKE NOVINY yesterday.

"I have certainly never said that the government is applying monetarism. Only our opponents said that. We are still moving in the main economic stream, and there is no reason to change anything about it," Klaus also said at a news conference with the Civic Democratic Party in Prague, when he reacted to statements about serious changes in the economic intentions of the government.

Vaclav Klaus described the appearance of the Wallis affair and rumors connected thereto as a bad ideological attack against the transformation of the Czech Republic, aimed chiefly at one of its main pillars—privatization. In that connection, he issued a warning against efforts to reduce the political life to individual affairs, which, as he stressed, do not contribute to anything positive. At the same time, he said that we must distinguish between the quality of intelligence services and the quality of some individuals employed by those services. "In the same way as in other institutions, in the intelligence services, too, there are people of both past and present, and the former are using every opportunity to destabilize the new system," the prime minister said. The entire affair is, in his opinion, unfortunate, blown out of proportion, and is based on half-truths and unclear, unverified information. This is why it would be appropriate to speak of the responsibility of individual journalists.

Vaclav Klaus also expressed his astonishment over some observations made about himself. "If something so absurd and unrealistic is being published, then I do not even have a motive to assert that it is not true," he said. At the same time, he denied the statement that the Civic Democratic Party would make efforts to create its own secret service, or try to gather intelligence information on other parties.

When he spoke about the activity of the intelligence services, the prime minister mentioned the preparatory process for the simplification of their structure and making them more transparent, which should be implemented even before a new bill on the secret services is passed. He also rejected criticism addressed to Stanislav Devaty (Civic Democratic Party) in his position as temporary director of the Security and Information Service, and he admitted that the coalition may conduct additional talks on the final decision on filling this position. [passage omitted]

Klaus Positive About CNB's Lombard Decision

AU1008112193 Prague CTK in English 0957 GMT 6 Aug 93

[Text] Prague August 6 (CTK)—The decision of the Czech National Bank's Banking Council to lower its interest rates on Lombard credits from the current 14 to 12.5 percent as of August 9 is very positive, because it would mean cheaper prices for business done at this rate, said Czech Premier Vaclav Klaus in yesterday's interview for the TV program Daily Plus.

Klaus also considered the analysis of Czech economic development for the first half of this year, recently completed by the Czech National Bank, to be positive. He remarked he had so far been acquainted only with the report's preliminary outcomes and would receive its full wording only today. However, it was more positive than certain data coming from the Czech Statistical Office, he emphasised.

Kalvoda on Cost of Territorial Reform

AU1008121493 Prague CTK in English 0908 GMT 9 Aug 93

[Excerpt] Prague August 9 (CTK) [Passage omitted]—The first stage of the reform of the territorial division of the Czech Republic will cost about one billion crowns, Deputy Premier Jan Kalvoda says in an interview for the economic daily HOSPODARSKE NOVINY. He adds that this amount should be viewed in the awareness that having a properly functioning administrative machine always pays off.

He says the first stage of reform should be finished by next year's local elections, and has to include the establishment of higher units of territorial administration, the definition of their organs and structures, and of their relationship with the state administration, HOSPODARSKE NOVINY writes, adding that basic conceptual agreement has to be reached by the end of the year. [passage omitted]

Finance Minister Views Economic Trends

LD0908172393 Prague CTK in English 1657 GMT 9 Aug 93

[Text] Prague, August 9 (CTK)—The economic growth reported in the Czech Republic for the first half of 1993 and predictions made for the second half of the year are moderately behind what was originally predicted at the beginning of the year, Czech Minister of Finance Ivan Kocarnik said today.

The gross domestic product [GDP] dropped one per cent in the first half of the year compared to the same period in 1992 (by 2.4 per cent in the first quarter), Kocarnik told journalists.

Recent estimates worked out by the Ministry of Finance predict that by the end of the year, the GDP will grow by

one per cent. Government estimates at the beginning of the year spoke of a one to three per cent increase.

The estimate further predicts that the inflation rate should fluctuate around the upper half of the original government expectations, that is around 17 per cent, and unemployment between 3.5 and four per cent (against a 5 per cent estimate). The balance of payments is expected to reach a moderate surplus (10 to 15 billion crowns, about 334 million to 500 million USD) and the capital account should have a surplus of around 30 billion crowns (about one billion USD). The total revenues of state and local budgets should reach some 400 billion crowns (about 13.5 billion USD).

The reason for the different real and estimated results, Kocarnik said, was the ongoing recession in the majority of advanced countries, the split of the Federation and the currency separation as well as the optimistic outlook of international economic instiutions.

Predictions made for 1994 are based on next year's draft budget which should be submitted to economic ministers within the next ten days. It expects a two to three per cent growth in the GDP, an inflation rate around nine per cent and an unemployment rate around five per cent (amount at the end of the year). Kocarnik will propose the total balance of payments as being equal even though the second alternative to the budget suggests a 1.5 per cent deficit against the GDP. The total amount of state and local budgets should reach 430 billion crowns (over 14 billion USD).

Kocarnik believes it is possible to reach this year's goals. Tax reform has taken-off, and local budget revenues are stable. Minor problems in the tax system should be removed by the end of the year and foreign investment in the Czech Republic should exceed one billion USD, he concluded.

Mecl Interviewed on SDL Role

AU1008111393 Prague CESKY DENIK in Czech 5 Aug 93 p 11

[Interview with Josef Mecl, chairman of the Party of the Democratic Left Joint Committee for Bohemia and Moravia, by Stanislav Knenicky; place and date not given: "Josef Mecl Does Not Want the Government To Survive the Next Elections"]

[Text] [Knenicky] According to public opinion, the Party of the Democratic Left [SDL] lies somewhere between diehard communists of the existing Communist Party of Bohemia and Moravia [KSCM] and social democrats. This space is too narrow for a newly established leftist party, is it not?

[Mecl] I do not believe that we would take the space between the KSCM, on one side, and social democrats on the other. Neither do I believe that in the KSCM there are only diehard communists. To a certain extent, the prospects of the SDL are based on the fact that we consider our party to be open to all rationally thinking members of the former and the present KSCM who really want to participate in politics. Now, KSCM district conferences will take place, and the SDL district conferences will almost parallel them, so that there will be an alternative for members and for those sympathizing with the Communist Party [sentence as published].

[Knenicky] How is your party different, then, from the KSCM or the Czechoslovak Social Democratic Party?

[Mecl] Our specific feature is our effort to remove the ideologizing from politics, and remove ideological schemes as a measure of success or lack of success of the government coalition. We want to be a leftist, socially oriented, empirical party that will evaluate the government policy from the viewpoint of people's experience with that policy. The notion of justice should become the basis of such a policy. I do not believe that the notion of justice is linked only to leftist policy. In my opinion, even rightist policy can have its dimension of justice. I also believe that the SDL should try to become a bridge between the communist and the non-communist left, and should contribute to the integration of the left. It is not true that only the left is having disputes, is quarrelsome, and disintegrated. This is also true of the right wing. If we want to really enter politics, however—and politics means being able to change something—then we need some strength. The left does not have this strength, among other things, because the Communist Party has wedged itself within it. This party itself, or the anti-communist feeling surviving in social democracy, simply prevent the unification of the left.

[Knenicky] At one of your news conferences you said that you did not consider the social democratic road to be the most proper road for a leftist party. Why, and what do you dislike about it?

[Mecl] I believe that the classification [of political movements] in the Czech Republic—and in Czechoslovakia—was grossly unripe and crude after November 1989. This right-left dividing line relies much on doctrine. Rightist policy, for example, has no social background in our country today, there is no doctrine for transformation and the government's rule over society, and so forth. The same applies to the Communist Party—was it a leftist party before November [1989]? No, not completely. It was a leftist party from the viewpoint of certain social programs, but in politics, it probably was not. In politics, it was a purely conservative party respecting quite a different doctrine as regards the economy, democracy, and civil rights, different from a doctrine that could be described as leftist.

As regards social democracy, it has opted for a way of referring to certain social democratic traditions, which have not been established in the Czech Republic, however. Traditions are also a problem for the KSCM, since, in a similar way as the Czechoslovak Social Democratic Party it wants to build on the past, and select from it

whatever is convenient to them. I would like the SDL to become a party of the present. Traditions to which some political parties refer are rather a burden to them, and not something that would be meaningful to the people of present times. Particularly in our country, people do not make a living on traditions, but have to face current problems.

[Knenicky] How many members does your party have at present?

[Mecl] In fact, in the majority of districts, SDL district committees are already working, and I believe that our party may have several thousand members.

[Knenicky] That is, how many, approximately?

[Mecl] I believe, in fact, several tens of thousands.

[Knenicky] Fifty, or ....

[Mecl] No, some 20,000.

[Knenicky] Social democracy is after the government's throat. The old-new Czechoslovak Social Democratic Party wants to verbally destroy the government. What slogan will your party "pull out of the bag"? You certainly have a panacea for all the ailments of our society, ailments that you have described....

[Mecl] There is no panacea, or universal medicine. The SDL should build on what any opposition is building, that is, the mistakes made by the coalition are our opportunity. The problem of our opposition today is that the said mistakes must be found, given a name, and introduced into political life. Only then should alternatives be sought to solve more serious issues. To believe that the opposition is able to share power with the government coalition—which has the state apparatus at its own disposal—and to create some parallel and concurrent programs, is nonsense. No opposition party in Europe can do it, no party has the strength or means for it. This is why I am not going to announce a slogan. However, I am going to tell you one idea—fair policy. Justice not only in the social sphere—where this word had deep roots—but also in the economic sphere, in health care, and the education system. I repeat, once again, you may live to see it—rather than me—that the governments will chop and change. I believe that some people believe—and this is an intoxication of the past 40 years—that the rightist government of Klaus, Kalvoda, or Lux will be here for the next 20 years. It will need a great change in the way people think—and also changes to institutions—to reach the conclusion that the replacement of the rightist government by a leftist government will mean no catastrophe.

[Knenicky] Let us try to be forecasters. For the time being, everything is testifying to the fact that the rightist government will stay here until 2000....

[Mecl] No, I do not believe this government should stay. In the elections, people will decide whether they stay or not. Either they will decide that the government coalition is doing a lousy job, and that it is making a lot of mistakes, or the right wing will do their job in a standard way, but the opposition will offer a program that will be interesting for the people.

[Knenicky] KSCM Deputy Chairman Klanica has said recently that, at present, the coalition should applaud the left for their inability to unite. Are you not contemplating closer cooperation with the shadow government of the Realistic Block.

[Mecl] I believe this will depend on both sides. I would like to postpone those issues until the SDL is fully established and has its necessary organs and institutes, and after the provisional period is over. In my opinion, the government coalition is not very inclined to applaud the opposition for being divided. The fact is that the right wing is much less homogeneous. Since it has the power in its own hands, differentiation within their party poses a much greater danger to the development in the Czech Republic, greater than the scattered left. Pressures for integration within the opposition will certainly arise before the elections. The election to the Senate may become responsible for such a special phenomenon. The opposition will have to face a key problem. Either it will lose the elections for the Senate, or it will try to gain some points by agreeing on a joint course of action.

[Knenicky] Are you, then, going to agree on a coalition before the communal and parliamentary elections? Whom do you consider as your partner?

[Mecl] Let us speak about those elections separately. The communal elections will be the first probe of what has been done in the communities. This will be a test for the right wing, as well as for the left wing. The communal elections are not an issue of only communal policy and the administration of cities and villages. However, elections may serve as an important political signal to the government coalition, a signal testifying to the serious mood of the population—if left-oriented representatives win in local bodies—or, the coalition may calm down, seeing that everything is all right. It would make no sense to form a coalition for the communal elections. Not even the Left Block, with few exceptions, is certain to have much success in these elections. In communal elections, it is important to bet on honest and qualified people, who are trusted by the population, and who can prevent inefficient management, or mismanagement of communal property. The elections for the Senate will be the second test. Here, as I said, the majority system should represent a certain pressure on the leftist opposition. However, this pressure will also help integrate the right wing, since they do not have a great chance without forming a coalition. I do not want to give my opinion on the parliamentary elections, I would just have to guess. I believe, however, that they should take place as soon as possible.

[Knenicky] In connection with the KSCM split, Professor Svitak said at a news conference with the Preparatory Committee of the Left Block Party that it is better if three people are pulling on the same end of a rope than if each hangs on his own rope. Has your native party met you half way in that respect? How has the division of property progressed?

[Mecl] It has not progressed. There is a rule that says that the state-provided contributions for votes won in the elections is a legal basis for discussion. There is an agreement to that effect and that agreement can be amended. At present, the ratio is 1:9, and on this basis we can conduct political talks. That is, one part is for the SDL, and nine parts for the KSCM. As far as KSCM property is concerned, we do not want to take over its original property. This property does not represent only claims but it can also involve debt, existing debt, or debt that would arise in connection with the former constitutional law on the return of property. We are rather concerned about our agreement with the KSCM on certain material and financial conditions to get the SDL going. The activity of any political party is a very expensive matter, we must say.

[Knenicky] Lothar Indruch, chairman of the SDL Nationwide Committee, is of a different opinion, reportedly. He does not demand any property from the Communist Party. What leads him to take this stance, in your opinion?

[Mecl] We do not have a fundamental dispute with Lothar Indruch. I rather believe that he still perceives the SDL as a very small party—such as the Democratic Left [DL], a party numbering several hundreds of members—which has been fully satisfied with the contribution corresponding to the 1:9 ratio. The DL was a party with few financial demands, and was without a territorial structure, in fact. However, if you want to establish a large party that would be able to come up with new ideas—since every party lives on certain ideas—then you must be able to attract experts and have a certain apparatus available. This is impossible without financial means.

[Knenicky] Is it true, then, that within the SDL, there are two streams, yours and that of Indruch? What are their relations toward the membership base?

[Mecl] Imagine that you have a four-member family. Suddenly, new members come to your household—family members, friends, children, and other people, so you cannot fit. Our dispute, between Indruch and me, is not a dispute about fundamentals, but originates from certain habits, inherited from the DL. For example, statutes are the stumbling block. They simply do not correspond to what we want to create. The SDL Preparatory Committee does not want to build a marginal political party simply to acquire listeners and conduct news conferences. This means that the SDL is facing a large organizational task. At the same time, we do not want to establish a party that would be a burden to the people and would be expensive. It should be a large and structured party, relying strongly on election elements. We want to make it to parliament and cooperate with other leftist parties. It makes no sense to have five, or 10 deputies, with whom no one else wants to speak.

At present, the SDL is a small party that new people are suddenly joining. Of course, new people—including myself—have good and bad habits that come from the KSCM. I do not believe that we have undemocratic habits. Maybe, we are rather quick in our conclusions, act with speed and energy—to put it simply, we are more tactical—since we have experience from parliament. DL functionaries lead a very small party of several hundred members, a party that has not taken more visible action within its coalition with the KSCM. It really was an unequal marriage.

[Knenicky] Deputies of the Left Block are rather skeptical about your future parliamentary existence. Are you not afraid that, since you have only one deputy in the Left Block club of deputies, you will disappear from the television screens, and from the minds of the viewers, then? Initiators of the Left Block Party (SLB) affirm that within three years no one will know about you. Ortman's party is far ahead of you, is it not?

[Mecl] I do not believe they are ahead of us at all. A political move by deputies cannot be optimistic, if it has no optimistic prospects. In this case, it is an atypical fact that deputies are trying to establish a party. Moreover, the idea that they are implementing now means separation from the leadership of the party for which they have been elected. Communication between the club and party leadership has traditionally been very little. This has become even more serious now. I am not sure whether the idea of the Left Block Party will find support in KSCM district organizations. It is, in fact, an attempt to transform the KSCM.

[Knenicky] The SLB should allow double membership. Then, both SDL and KSCM members could become SLB members.

[Mecl] The KSCM does not allow double membership. It seems to me that the attempt to establish a Left Block Party is a simple legal operation, without profound philosophy or political intentions. Deputies will not succeed in establishing something that the last assembly failed to do. It is impossible to return—after several months—to the key problem, a problem from which everything began to "crumble".

[Knenicky] The establishment of the SLB is, in fact, an attempt at forming the Communist Party's trinity....

[Mecl] It is a very simple experiment. There is something behind this operation, something that should have become apparent earlier. That is, the KSCM will have more and more difficulties in politics: problems in not having members in the productive age groups, with overall publicity, etc. It was us, however, who pointed to that situation.

[Knenicky] Who of the three posthumous children of the Communist Party will be the most successful in the elections, in your opinion?

[Mecl] I do not dare to say. However, I am an optimist. The best thing about the SDL idea is that in the districts and cities in which they are ideologically "prepared", people should not leave leftist policy as such, and should join the SDL. Here, or in parliament, you will not establish a new party. Parties must be established from below. If there is no willingness or inclination in the districts, not even the most experienced political matadors at the head of the SDL will establish anything.

CNB Council Assesses Economic Development

AU1008061593 Prague HOSPODARSKE NOVINY in Czech 6 Aug 93 p 2

["(MS)"-signed report: "Low Inflation Is Evidence of Stability"]

[Text] The Czech National Bank [CNB] Banking Council stated at its session yesterday that the relatively low rate of inflation testifies to the economy's internal stability. At the same time, the number of examples of economic recovery—although development processes in the individual branches are frequently contradictory—is increasing. Development in external relations is also positive. The CNB's foreign currency reserves have risen and exceed $2.5 billion. The entire banking sector has foreign currency reserves amounting to almost $5.0 billion.

The increase in deposits confirms that the population renewed its inclination toward saving in the first six months of the year. Credits increased in June by 11.4 billion korunas, while the share of the private sector in drawing on them continued to rise. Following the monetary measures implemented by the CNB (reducing the discount rate and reducing the obligatory minimal reserves), there was a corresponding decline in the interest rates on the inter-bank money market. On the basis of current monetary development, the Banking Council decided to reduce interest rates for Lombard loans from the current 14 percent to 12.5 percent with effect from 9 August 1993.

Security Service Monitored 'Panama Affair'

AU1008053993 Prague LIDOVE NOVINY in Czech 6 Aug 93 p 1

[CTK report: "The Panama Arms Affair Was Under the Control of the Security and Information Service"]

[Text] Prague—More information has been acquired on the "Panama Affair"—an attempt to illegally export 5,000 pistols, 25,000 Scorpio submachine guns, 200,000 magazines from the Czech Arms Factory [Ceska Zbrojovka] in Uhersky Brod, and 7,000,000 projectiles made by the Sellier and Bellot Company from Vlasim, which were reportedly ordered by the Panamanian Government to reexport to Bosnia.

According to a reliable source, the entire case was monitored by the Brno branch of the Security and Information Service [BIS], which worked on the case in cooperation with Spanish police, and later on, handed the case over to the Criminal Police Central (UKP) in Prague. The same source says that information about the Service for the Protection of Economic Interests' (SOEZ) and the involvement of its director, J. Sula, in the case—which appeared in the press—is unfounded.

The request for granting an export license for the arms was submitted by two Czech companies at the Special Material Department of the License Section at the Ministry of Trade and Industry in April of this year. After the two petitioners left, some clerks found envelopes containing sums of thousands [currency not given] on their tables. They immediately reported the bribery attempt to the police. Despite the fact that the Security Service verified that the End User Certificate (EUC) was counterfeit, it allowed the ministry to grant the license in June. The objective was to arrest the dealers in action.

Arms were to be delivered to the Eurounion Gibraltar Company, which may be based on the southern coast of Spain's Andalucia. Nevertheless, its owner, and the chief of the entire action, is a citizen of a country neighboring the Czech Republic. According to information acquired by BIS, this company has tried to illegally export arms to Bosnia twice, but without success. Some four weeks ago, the first part of the shipment—300 CZ pistols—were to be loaded at a Paris airport. The owner of the Eurounion Gibraltar Company and his Czech associates were to be apprehended at the airport. However, he did not cross the Czech Republic's borders and he did not come to the airport. Criminal police could only seize the arms, and the export license was canceled immediately. No one was arrested.

Since the beginning, the involvement of employees of the Czech Arms Factory and the Sellier and Bellot Company was also investigated. According to findings so far, they were not informed of the intent to reexport the arms to Bosnia. It is not without interest that Sellier and Bellot rejected (apparently in anticipation of a higher profit) an already established order by a serious customer and concluded the agreement with a questionable firm, the Eurounion Gibraltar Company. The Czech Arms Factory received a large portion of payments from the customer beforehand. The entire case has been handed over to the investigator.

Agriculture Minister Comments on 1995 Program

LD1008181393 Prague CTK in English 1753 GMT 10 Aug 93

[Text] Prague, August 10 (CTK)—Funds available for distribution amongst the Czech Republic's agricultural producers should reach approximately 6.3 billion crowns (about 210 million USD) in 1995, according to a programme worked out by the Czech Ministry of Agriculture.

The Czech Minister of Agriculture, Josef Lux said at a press conference today that the programme's main principles should be discussed in September.

Lux has been criticised by opposition parties for mismanagement of agriculture and for a failure to submit a concept of structural changes as he promised after assuming the post in June 1992. In mid-July, the Self-Governing Democracy Movement for Moravia and Silesia (HSDMS) said it would demand Lux's dismissal.

Czech agricultural policy will focus on the creation of a permanently sustainable agricultural sector which produces high-quality food products without noxious substances. A "tolerable level" of liberalisation should at the same time be introduced into agricultural markets, Lux stated.

Agriculture has in his words already undergone the basic structural changes which are still in store for the industrial area. Agricultural enterprises are currently falling behind industrial enterprises, he remarked.

For instance, the average capital yield in industry totalled 127 per cent last year while in agriculture it was only 43 per cent. Every 100 crowns (about 3.4 USD) in industry brought a 9.7 crown profit but in agriculture a 10.05 crown loss.

The average wage of agricultural workers was 4,341 crowns (over 140 USD) a month, while in industry it was 5,365 crowns (about 180 USD). As many as 80 loss-making companies were registered in agriculture last year, while in industry there were only 30, Lux said.

Economic outcomes of agricultural entities are influenced by the biological character of the production and especially by the supply of agricultural products being higher than demand. The absence of long-term credits, protective measures erected by neighbouring countries and other negative factors also contribute to the difficulties in the agricultural sector, Lux said.

The agricultural policy of the Czech Republic must act against these factors. Imports of agricultural products to the Czech Republic should not exceed its exports. Our farmers should produce a decisive proportion of our food products, Lux declared.

He pointed out that the ministry wants to push for a measure which would make farmers exempt from the payment of the excise tax on crude oil. Approximately 50 per cent of the sum should be returned to farmers in the form of so called returns. Their overall value should reach 1.2 to 1.5 billion crowns (about 40 million to 50 million USD) a year, he said.

Tax reliefs should at the same time be introduced for those farmers who do not produce food on their land. If someone plants grass on it, he should be exempt from taxes for five years. If he plants a forest, the period of tax exemption should last for ten years, Lux remarked.

The ministry would like to switch from direct investment subsidies to guaranteeing credits which an entrepreneur would obtain from a bank on the basis of submitting his project. We want to support the idea of combining the funds of individual agricultural entities, Lux remarked.

In another part of the press conference, Lux spoke about protection of the Czech market in important agricultural commodities. The market in grains, meat and milk, is sufficiently protected and exports of these products are several times higher than imports, he said.

The average value of customs duties on these products is 8 to 12 per cent higher than those of the European Community. Problems are arising from the protection of early potatoes and certain fruits (apples and grapes). The ministry is considering the introduction of seasonal market protection on these commodities.

Lux said the case of early potatoes is by no means dramatic because imported potatoes represent less than one per cent of Czech potato consumption. The situation concerning apples is worse, as imported apples constitute more than 14 per cent of the consumption.

Lux believes that the extent of protection of the Czech agricultural market must be comparable to market protection in European Community countries. After November 1989, we opened up a little bit naively to the world, one-sidedly reduced the protection of our market and found out after a few years that the world had not opened up as much as we had, Lux maintained.

It would be simply naive on our part to open up more than our neighbours and let their products destroy our agriculture, he said.

Issues connected with the protection of the agricultural market will be on the agenda at talks today held by economic ministers. Lux stated that the discussions will concentrate on the extent of protective measures for agriculture.

U.S. Reportedly Interested in Former Base

AU1008122593 Prague CTK in English 1046 GMT 7 Aug 93

[Excerpt] Prague August 7 (CTK) [Passage omitted]—The independent MLADA FRONTA DNES reports that U.S. Government and military circles are interested in constructing a large international airfield at the former military territory in Mlada. A highly trustworthy source has told the daily that Premier Klaus had received information from the Czech secret service about the U.S. Bechtel Company, which participated in the tender for use of the Ralsko and Mlada military territories. According to the information, U.S. military circles are backing the company. The Bechtel representative in the Czech Republic denied any connection between his company and the U.S. military circles.

Mines To Be Cleared From Former USSR Bases

AU1008121593 Prague CTK in English 1820 GMT 8 Aug 93

[Text] Prague August 8 (CTK)—Preparations to clear mines from the former Soviet Army base at Mlada-Milovice in East Bohemia are just finishing, deputy head of Nymburk Town Hall told CTK today.

He said that mine removal was due to start in September, and it was planned to clear around 100 hectares and 150 properties lying within the Nymburk District by the end of the year. Of the total area of the military base, 5,600 hectares, 2,100 hectares lie in the Nymburk District.

The government made a decision on the clearance of mines from Mlada, Ralsko in North Bohemia and Dobra Voda in the Sumava Mountains, South West Bohemia at the end of March this year.

Government materials show that mine clearance in Mlada should be finished by the end of 1996, and in Ralsko half a year later. The operation in Dobra Voda should be finished this year, since only ten-metre wide strips along the edges of hiking paths are being cleared.

The Ministry of Defence is allotting 30 million crowns (1 million USD) from its budget this and each successive year to the clearance operations.

PHARE To Provide 60 Million ECU

AU1008053893 Prague MLADA FRONTA DNES in Czech 6 Aug 93 p 3

["(vin)"-signed report: "The PHARE Program Will Release Millions"]

[Text] Brno—Sixty million ECUs, 45 percent of which will go to the private sector, have been released this year for the Czech Republic from the PHARE [Economic Reconstruction Aid for Poland and Hungary] program designed to aid the East European economies. This statement was made yesterday by Giorgio Ficcarelli, secretary to the EC delegation in the Czech Republic. Last year, the EC supported the Czech Republic by providing 24 million ECUs through PHARE and in 1991 it provided 27 million ECUs.

Meciar Discusses Politics, Privatization

AU1108062593 Bratislava REPUBLIKA in Slovak 6 Aug 93 p 5

[First installment of interview with Prime Minister Vladimir Meciar by REPUBLIKA reporters in Bratislava on 4 August; recorded by Viera Urbanova and Stanislav Tomanek: "Politician's Life Is Service for the Citizen; Prime Minister Vladimir Meciar in Discussion With REPUBLIKA"]

[Text] At the invitation of the editor in chief of the daily REPUBLIKA, Vladimir Meciar, the prime minister of the Slovak Republic, visited the editorial staff. The editor in chief opened the discussion:

[REPUBLIKA] "Mr. Prime Minister, we note that capital is entering Slovak politics, and this occasionally includes dirty money. That is harmful and it causes bad blood. Examples can be drawn from Italy, and most recently from the neighboring Czech Republic. There are only a few incorruptible politicians, and the others hate them. Mr. Prime Minister, what is your opinion? Could there be an incorruptible politician?"

[Meciar] Every form of public life should be understood as service for the citizen, and the entire system of institutions and state bodies should be employed in this service. As soon as black money, corruption, or bribery enter the game, the service degenerates. It is no longer performed according to general rules. While it suits some officials, it is not in the interest of the public. Somebody receives unfair property gains and a criminal offense moves out of the reach of the law on state administration. If entire groups and enterprises behave so, social revenues are reduced. This disease exists in society in some degree all the time, and it becomes extremely dangerous when this type of conduct dominates.

[REPUBLIKA] The position of young Slovakia is even more difficult in this respect because these and other problems must be solved here without any preparation....

[Meciar] The entire system of the state and its bodies is precisely seven months and a week old today, i.e., it still is forming. New people are coming, others leaving, and the latter still want to reap some benefits from their positions. There also is the tradition from the time of the Austro-Hungarian Empire. At that time, one of the officials wrote to Emperor Franz Josef that he was retiring and had no money. The Emperor replied that for years an ass had been tied to a trough and did not get his fill. Hence, the Emperor expected that if one holds an official post, he should take care of himself, skim off revenues, and have no business demanding something from the state for his old age. Of course, it is an anecdote but it has a rational basis. Some people in Slovakia have a chance now that comes, so to say, once in a thousand years. Several hundred billion korunas worth of property is being divided, and it can be transferred relatively cheaply to various spheres of interest.

[REPUBLIKA] We have just entered the realm of privatization. That is the theme of the day practically from its very inception. It is apparent that certain groups do not shrink from any means to amass some property. What are the most frequent deformations of the process?

[Meciar] He who wants to gain an advantage and privileges begins at a bank. It is the bank official, rather than the privatization minister, who decides on who is to get the money. The person using this approach can then bid on an enterprise. That is the first feasible deformation concealed from the society. The second one is in the projects. Various purpose-oriented organizations are formed, in which the same people submit both the original and the rival privatization projects—of course, through their relatives or associates. Hence, the real competition is curbed in advance. A similar situation arises when the price of the privatized facilities is set. Some people benefit from legislative shortcomings, and differences in assessments are substantial. Now and then, the price of the land is not even included in the total assessment. With the objective of redistribution of the national property that would suit their purposes, some groups intentionally reduce the value of the factory, lead it to bankruptcy. Yet another sphere of potential deformations is the liberalization of some marketing routes before efficient means of control are implemented. This applies particularly to retailing, price setting, and the tax system. The tax system is being introduced effective 1 January, the revenue offices are only beginning. The inconsistent repression also contributes to the chaos. There are even instances of murderers being released on bail. All this further confuses the situation and some individuals take advantage of this. Favor for a favor, and eventually, just like cancer, it wastes away the entire social body. In the end, people might even get used to it as if it were supposed to be so.... I know for a fact that for a single word in the law on gaming machines 1 million korunas was offered.

[REPUBLIKA] We did not make up these problems, others elsewhere in the world have struggled against them for years....

[Meciar] During my visit to Budapest, I spoke with the Italian prime minister. He told me how the crisis of political parties reflects on the life of the country. They are starting practically from the same position as we are. They must again build the parties and devise an election system and the state structure. They are now dismantling the party property, as, for instance, in the radio and television. The governments in that country have been often just straw men. Mafias used to rule over entire regions and sectors. Whenever these groups take over the politics in some place, the politics ceases to be objective and efficient, people no longer understand it, and that is clearly a non-democratic element. These things must be always pointed out, and public opinion alerted.

[REPUBLIKA] You have indicated that privatization is struggling against tremendous problems. Numerous

amendments to the law apparently are not a universal medicine. Which forms of privatization do you consider the priority ones?

[Meciar] The entire sector was badly designed in the past. Only 11 people of a staff totalling 153 took part in the direct execution of the privatization. Inter-sector communication was limited to the minister. Therefore, the first step is the reorganization of the apparatus. Following the explanation of the concept, of what should be done at the ministry, a part of the apparatus voluntarily left. In the meantime, we are not laying off people. We only had to cancel holidays, and everybody is working on the projects that have been lying in the drawers.

[REPUBLIKA] You probably have your own privatization philosophy....

[Meciar] Privatization must be based on development. In privatization, both form and partner must be chosen. If I have no market, and someone has service abroad, I must get there, and privatize. That way I will secure the market for the products. If I need to invest, and have no funds for the modernization, I will privatize someone with liquid finances. If I need contacts with international research centers or markets, I choose the partner accordingly.

Whether we want it or not, internationalization of the economy is inevitable. The openness of the economy toward the EC is a stage perhaps 20 years long. Nevertheless, it will take at least five years before we can say where we are behind and where we are competitive with the European standards.

[REPUBLIKA] Some voices were calling for privatization by means of employee shares. Are they more vociferous now?

[Meciar] Under no circumstances should the employees be a foreign element in the privatization process. In the coupon privatization, some people acquired shares of enterprises, the location and production of which they do not even know. These people can hardly affect its development and management. Nevertheless, it is necessary to precisely define the management rules. The management does not have to be the owner of the enterprise, and could have a share in the profits, perhaps management shares. That, which is happening today, when the enterprise management is the only privatizing entity, may result in the loss of motivation. The management that ruins the enterprise must be excluded from the privatization.

[REPUBLIKA] There were open tenders, and we are not jumping for joy....

[Meciar] This form can work, if there is sufficient interest. There is also the possibility, however, of purpose-oriented interest with the objective of privatizing for someone. Gas, for instance, is very attractive abroad. I would call this product and its distribution golden grapes. After all, the sales here amount to approximately 16 billion [korunas]. There is a similar struggle over the Slovak chemical sector, while the declining engineering sector is less popular. Nevertheless, the concept outline is becoming clearer all the time—the Arab states indicated something, and so did the Germans, particularly those from the Ruhr and Bavaria. We well know that a foreign investor is not coming here out of love but because he is trying to place his capital to the best advantage. The sector principle must be implemented in the large-scale privatization. The privatization of the Humenne Chemlon, for instance, interrupted the entire production cycle.

So, we are going to privatize, but in the form that is most advantageous for our society. After reaching an agreement on the project with the Union of Industries and the Union of Employers, we are establishing councils for the transformation of the enterprise and sector spheres. The transformation councils should be launched on 1 September. The law on the restitution of church property should be adopted in September, and we intend to enhance the privatization of land and forests. It is not that easy because surveyors' reports have been registered only in 10 percent of all the real estate property. We want every lot and factory to have its rightful owner. Of course, the economy should be mixed—some state-ownership, some corporate ownership, and some privately owned property.

Meciar on Devaluation Impact, Loan Talks

LD0808202393 Bratislava STV 1 Television Network in Slovak 1710 GMT 8 Aug 93

[Regular weekly nationwide television address by Prime Minister Vladimir Meciar—live or recorded]

[Excerpt] [Passage omitted] We have, of course, adopted a number of measures as far as currency is concerned. The devaluation was not a pleasant matter. We once again cut deeply into the social mechanism, and that very painfully, since the tension, especially in low-income groups, is growing. The devaluation is, of course, being abused by some people for their own unjustified means, but it also, logically, entails a certain discrimination against all imported goods and has an impact on prices and therefore also on the real expenditure of every single family.

If we have nevertheless opted for it, there must have been a real reason. The talks with the IMF were not only about the $90 million loan—that would not be commeasurate with the degree of the sacrifice. We are, however, simultanenously talking about a further $300 million; we are talking with the World Bank about a $1 billion credit line; we are holding talks with other institutions about the possibility of acquiring more loans.

This is important, because as long as we are not building up our own resources, as long as privatization is not producing the kind of revenue we are depending upon, we have to seek a framework abroad and can afford to do so, since our country is not yet indebted to a degree that would hinder its development.

Figures of Budget Deficit Reported

LD1008181093 Prague CTK in English 1755 GMT 10 Aug 93

[Text] Bratislava, August 10 (CTK)—The Slovak Republic's state budget deficit reached almost 17.5 billion Slovak crowns (sok) (about 600 million USD) as of August 9, announced the speaker for the final accounting section at the Slovak Ministry of Finance, Milos Nosal, today.

As of August 9, state revenues amounted to 80.8 billion sok (about 2.7 billion USD) and expenses 98.3 billion sok (about 3.3 billion USD).

Nosal added that the deficit significantly fluctuated from month to month. For example, as of July 8, the deficit had surpassed the 18 billion increasing later to 18.387 billion sok. However, by the end of July the deficit had dropped to 14.1 billion, then grew to its present figure.

The announcement made by the Slovak government regarding its economic policy at the conclusion of the International Monetary Fund's (IMF) mission in the country, included a maximum annual deficit of 16 billion sok. The announcement had also led to the IMF approving a loan to the Slovak Republic for 89 million USD on July 27.

Antall in Germany for Medical Examinations

LD1008153793 Budapest Kossuth Radio Network in Hungarian 1500 GMT 10 Aug 93

[Text] The government spokeswoman has said that a detailed briefing on the ongoing talks in Germany will only be given after Jozsef Antall has returned. Judit Juhasz has confirmed that the prime minister is talking with several leading party politicians during his unofficial visit to Germany. Medical examinations are also included in the program. Jozsef Antall left for a visit to Germany the day before yesterday.

FIDESZ Chairman Comments on Minority Issues

AU0908204393 Bucharest ROMANIAI MAGYAR SZO in Hungarian 30 Jul 93 pp 1, 2

[Interview with Viktor Orban, chairman of the Federation of Young Democrats, by Arpad Gazda in Balvanyos; date not given: "The Ball Is in the RMDSZ's Court"]

[Text] Viktor Orban, chairman of the Federation of Young Democrats [FIDESZ], was one of the speakers on the last day of the Summer Colloquium in Balvanyos. After his lecture, he also gave an interview to ROMANIAI MAGYAR SZO.

[Gazda] In your lecture, you said that, according to the position of the FIDESZ, European integration is the most essential Hungarian foreign policy goal, but the issue of Hungarian minorities living beyond Hungary's borders is similarly important. We know that there are also EC countries that do not treat their minorities in an exemplary way. What will the FIDESZ's position be if these two foreign policy priorities contradict one another?

[Orban] In this case, we give priority to joining the EC, and we do not differ in this from the official Hungarian Government policy. There was a situation in which these two factors opposed each other, namely the war being waged in the former Yugoslavia, when the need for an independent political line in the interest of the national minorities clashed with the need to follow the European trends, and the Antall government solved this contradiction by adjusting to European trends. This was a very correct step. The background of this policy was the realization of the fact that the minorities are also interested in Hungary becoming a part of the European communities. As an EC member, Hungary will be able to take a more efficient stand at the international forums on behalf of the Hungarian minorities living beyond Hungary's borders; therefore, one must not sacrifice the long-term possibilities for the benefit of short-term goals.

[Gazda] How is it possible to care for the Hungarians living beyond our borders in a way to avoid the issue becoming a domestic policy in Hungary, particularly in the current pre-election period and to avoid the division of Hungarians in Romania according to political parties in Hungary?

[Orban] It is very difficult to achieve this, and there are no recipes for this; however, this can be achieved by means of a moderate and very careful foreign policy and, within every political party, we should restrain all those politicians who think that they want to be more Hungarian than all the other Hungarian political forces; this can only be achieved by regular consultations between the six parliamentary parties on foreign policy issues that affect the Hungarian national minorities. This is why I consider the six-party coordination talks to be extremely important.

[Gazda] High-ranking FIDESZ delegations have paid several visits to Bucharest recently. Does that mean that we can expect better Romanian-Hungarian interstate relations if the FIDESZ becomes a government party in Hungary, something quite plausible?

[Orban] We do not know. In my opinion, Romanian-Hungarian relations are presently bad but not primarily because of the Hungarian Government. The situation is somewhat tense: The issues on the agenda of the international diplomacy today make our two countries oppose each other due to their different interests. On the other hand, I think that the treatment of Hungarian minorities in Romania makes it very difficult to improve bilateral relations. We will strive to get rid of all the useless symbolic issues in Romanian-Hungarian relations that, although do not contribute to anything, are extremely suitable to deteriorate our relations and make the two countries' leaders suspicious of each other; however, we will not sacrifice basic foreign policy goals in order to have seemingly improved relations.

[Gazda] What is the position of the FIDESZ regarding the Romanian-Hungarian basic treaty?

[Orban] Our position is that the decisive element in this treaty is not the border issue but rather Romanian guarantees for the national minority rights and the promise of national minority institutions. It is not Hungarian foreign policy that has to decide whether the Romanian promises regarding the national minority institutions are sufficient or not; this must be decided by the Hungarians living here, namely the Democratic Union of Hungarians in Romania [RMDSZ—UDMR in Romanian], and the RMDSZ has the final word. If the RMDSZ says that Hungarian foreign policy can sign the treaty, then the treaty must be signed, and if the RMDSZ says that it cannot be signed, then it must not be signed.

[Gazda] Thank you for the interview.

Exports to Japan Reportedly Rise 13 Percent

LD1008173493 Budapest MTI in English 1650 GMT 10 Aug 93

[Text] Budapest, August 10 (MTI)—Hungarian exports to Japan rose by 13 per cent in USd value terms in the first half of 1993, and imports from Japan by 20 per cent over the same period of 1992.

According to estimates, the value of total Hungarian exports to Japan could be USd 100 million by the end of the year, while imports will be worth usd 230-250 million, leader of Hungary's trade mission in Tokyo, Sandor Kiss, said on Tuesday to a session of the Hungarian-Japanese economic club in Budapest.

Tungsram, the lightbulb maker, heads Hungarian exports, with deliveries up by 25-30 per cent in the first half of this year.

Japanese demand for aluminium products and food was also up, but textile exports fell. Half Hungary's exports are raw and semi-finished products, a third processed goods, and 20 per cent food: 150 Hungarian firms export to Japan, with 12 selling 80 per cent of the exports. One thousand Hungarian companies, including car dealers, buy imports from Japan. Without car dealers, the number is 250, with 24 firms doing most importing. Sandor Kiss expected 60,000 Japanese tourists to visit Hungary this year.

Statistical Office Issues Findings on Religion

AU1008053393 Budapest MTI in English 1833 GMT 7 Aug 93

[Text] Budapest, 7 Aug (MTI)—Two-thirds of Hungary's 10.3 million inhabitants are Catholics, 20 percent Calvinists and four percent Lutherans, the latest survey of the Central Statistical Office reveals. The survey, the first one since 1949, was conducted in late 1992 on a sample comprising 0.5 percent of the over-14 population.

Since 1930, there has not been any major shift in the proportion of denominations, the survey concludes. The most significant change was registered in the proportion of those without any religious affiliation, increasing from 0.1 percent in 1949 to 4.8 percent by 1992. Presumably, this trend was mainly due to a drop in baptisms between 1960 and 1980.

Non-believers and conscious atheists make up 24 percent of the population. Twenty percent of women and 29 percent of men are atheists.

Thirty-nine percent of women and 27 percent of men exercise their religion in church frameworks. The relevant proportions are 24 percent among the under-30s and 49 percent among the over-60s.

The lowest proportion of church-goers was registered in Budapest (22 percent), and the highest one in villages (45 percent). Atheists make up 34 percent of the population of Budapest and 14 percent among villagers.

By profession, the smallest proportion of church-goers was registered among those filling managerial posts (22 percent), and the highest one among farm workers (51 percent). The proportion of atheists was the lowest among the latter group (10 percent), and the highest among managers (36 percent).

Presidential Spokesman Comments on Clinton Letter

WS1108104993 Warsaw TVP Television First Program Network in Polish 1800 GMT 9 Aug 93

[From the "Directly from the Belveder" program—recorded; participants identified via screen caption]

[Text] [Correspondent Andrzej Trojanowski] President Clinton's letter to President Walesa: How does the Belveder comment on this political fact?

[Presidential Spokesman Andrzej Drzycimski] President Clinton has already spoken on the phone with President Walesa on two occasions. This letter is not the first one; there have been several letters. I should also add that President Lech Walesa, while he stayed in the United States, not on an official state visit, on the occasion of opening the Holocaust Museum in Washington, had an opportunity to have a direct talk, which, incidentally, was very cordial, with President Clinton on political issues. Apart from that, Poland was visited by the vice president of the United States, on the occasion of the 50th anniversary of the outbreak of the Warsaw Uprising. It is a new picture, as it were, of mutual contacts between these heads of states.

[Correspondent Andrzej Krajewski, reporting from the White House in Washington] The White House realizes that the forthcoming elections in Poland are extremely important. In this situation, President Clinton wanted to express his support for the direction of reforms in Poland. Therefore, President Walesa received a letter. I got this information from a White House official, who, in line with the practice that is followed here, had to remain anonymous.

President Clinton's letter to President Walesa is neither an expression of support for BBWR [Non-Party Bloc in Support of Reforms], nor an expression of lack of such support, said the same White House representative. He added at the same time that if President Clinton took any stand on this issue, it would be regarded here as interference in internal Polish political affairs. The official said that Clinton's letter to Walesa supported the direction of the Polish reforms. However, it is not a support for any of the governments that have governed Poland in the last four years. He also admitted that the letter expressed support for the stand of Lech Walesa taken during the parliamentary crisis, which was caused by the no-confidence vote against Suchocka's government. What President Walesa did then, the White House official said, was perfectly in line with the Constitution. President Walesa decided to dissolve the Parliament in a situation where the government was forced to step down, while there was no concept of replacing this government with another.

The official stressed that Poland's achievements, made within the last four years, are impressive. Hence a promise of further American support in its ambitious plans of reforms, which was included in President Bill Clinton's letter to Polish President Lech Walesa.

Piatkowski on Possible Lawbreakers in Parliament

LD1008205993 Warsaw TVP Television Second Program Network in Polish 1900 GMT 10 Aug 93

[From the "Panorama" program—relayed by Warsaw TV Polonia Network in Polish]

[Text] [Announcer] Some people who are running in the elections are doing so in order to avoid legal responsibility, Jan Piatkowski, minister of justice and prosecutor general, told "Panorama", because parliamentary immunity will protect even those people, against whom the Prosecutor's Office will have submitted, before 19 September [election date], an act of indictment.

[Correspondent] Up until now Prosecutor's Offices throughout the country have submitted 13 indictment acts against 18 former deputies and senators. Investigation proceedings involving 14 other parliamentarians are in progress. Almost half of the completed cases involved causing road accidents, including three cases of drunken driving. Other cases involved obtaining money on false pretenses, purgery, bribery, and being an accessory to crime. Investigation proceedings not completed concern primarily banking scandals—the case of Senator Andrzej Rzezniczak, insurance scandals—former Senators Janusz Baranowski and Edmund Jagiello, breaching the state secrets law—Antoni Macierewicz and Jaroslaw Kaczynski, a fiscal scandal—former Deputy Leszek Miller, and a case of embezzlement of 300,000,000 zloty by former Deputy Andrzej Andrzejczak.

Many of the former parliamentarians are obstructing the course of justice. They either do not respond to a prosecutor's summons without giving reasons or fall ill. Some want to make the prosecutor issue an order for them to be escorted by police in order to be questioned.

[Justice Minister Jan Piatkowski, identified by caption] They would like to be treated as martyrs, despite the fact that the charges deal with common offenses. They are not political cases or cases that would allow them to be treated as martyrs.

[Correspondent] According to Minister Piatkowski, party and union activists, who have pending court cases and who are taking part in the elections, are also applying similar tactics.

[Piatkowski] I presume that their aim is to avoid legal responsibility, because if they become deputies or senators, they will, without doubt, be protected by parliamentary immunity.

[Correspondent] Can you name the people involved or at least give their positions?

[Piatkowski] I would not like to mention names but, generally speaking, I can say that several months ago an

act of indictment was submitted to the court in Lublin against the leader of Self-Defense [Samoobrona, Peasant Party]. The person has been questioned but the trial could not commence because a medical certificate was submitted testifying to an illness [of the defendant].

[Correspondent] The electoral law allows a possibility that candidates for deputies or senators may be people with criminal records, provided their penalty did not involve additional punishment in the form of deprivation of civil rights, [including the right to vote and run for public office].

Registration of Electoral Lists

LD1008205193 Warsaw PAP in English 2004 GMT 10 Aug 93

[Text] Warsaw, Aug. 10—The State Electoral Commission (PKW) reported that 636 district electoral lists have been registered by 2100 hrs, including 6,554 names of candidates running for the Sejm. The deadline for registration of district electoral lists is Tuesday midnight.

The "Ojczyzna" (Fatherland) Catholic Electoral Committee, made up of the Christian National Union (ZCHN), the Peasant Christian Alliance (SLCH), the Party of Christian Democrats (PCHD), the Conservative Party (PK) and the Federation of Polish Enterprise, forwarded two candidates for one seat in all electoral districts.

Former Sejm Speaker Wieslaw Chrzanowski and Deputy Prime Minister Henryk Goryszewski will run for the Sejm seats on the "Ojczyzna" tickets, which also include Head of the Central Office of Planning Jerzy Kropiwnicki and former Sejm deputies from ZCHN Stefan Niesiolowski, Marek Jurek, Jan Lopuszanski and Ryszard Czarnecki as well as Deputy Prime Minister for Political Affairs Pawel Laczkowski.

Over 700 candidates for the Sejm, including former Sejm Speaker Mikolaj Kozakiewicz will run on the ticket of the Polish Peasant Party (PSL), representative of the party's election committee Aleksander Luczak said.

He added that some 50 representatives of farmers circles, 28 non- affiliated, 17 activists of the Democratic Party (SD), three of the Polish Green Party and three of the Polish Socialist Party (PPS) have also been registered on the party's tickets.

The Liberal Democratic Congress (KLD) has registered 555 candidates in all electoral districts. The KLD lists include Minister for Contacts with the EC Jan Krzysztof Bielecki, KLD Leader Donald Tusk, Privatization Minister Janusz Lewandowski and Head of the Election Headquarters Jacek Merkel.

BBWR Press Spokesman on Party, Elections

WS1008112593 Warsaw Radio Zet in Polish 1615 GMT 6 Aug 93

[Studio interview with Jacek Szymanderski, spokesman of the BBWR (Non-Party Bloc in Support of Reforms), by Jacek Skowronski; from the "Guest of Radio Z" program—live]

[Text] [Skowronski] Will BBWR win the elections?

[Szymanderski] Well, I do not know for sure; however, the social support that we are receiving from the people leads me to believe that it will certainly occupy an important place in the Parliament.

[Skowronski] What is the social support like? How does it manifest itself?

[Szymanderski] First of all, it manifests itself in the number of the letters, phone calls, and people who come to us just to get information. However, there is also another thing, which is particularly important: namely, how easily BBWR meetings in any town or village can be organized. It is especially important because now it is generally extremely difficult to organize a political meeting. People are rather indifferent. However, BBWR does it easily, and it is a good sign.

[Skowronski] Are these mass meetings? Do people hurry from everywhere to attend the meetings? Maybe they wait for Lech Walesa?

[Szymanderski] Well, maybe they do not hurry from everywhere. However, organizing BBWR is easy. This proves something. It is a good sociological indicator of a certain social interest.

[Skowronski] Is BBWR now present in small and big towns alike?

[Szymanderski] Yes, it is. We cannot say that small towns, big towns, or villages are places where BBWR cannot develop: it is developing everywhere.

[Skowronski] Who attends the BBWR meetings? Is it educated people or workers?

[Szymanderski] It depends on a given community. I would say that for example, if it is a village, then the meetings are mostly attended by farmers; if it is a typical town quarter inhabited by educated people, such as the old Mokotow section in Warsaw, then the meetings are dominated by such people. Well, generally, it mirrors the sociological state.

[Skowronski] What percent of votes is BBWR counting on? What would be its success and what would be its failure?

[Szymanderski] The question of who will win the elections is very difficult. We can all only guess. However, we can only do this when we know who is running; when the State Electoral Commission registers the candidates

and makes an announcement. For the time being, we do not really know who is taking part in the election game. We will know this on 13 or 14 August.

[Skowronski] Is BBWR going to take votes away from political parties? If so, what parties?

[Szymanderski] Well, BBWR, just as all the other parties, groups, or election platforms, which BBWR happens to be, will compete for voters. One of the important tasks of BBWR is winning the interest of those who declared that they did not want to go to the polls, which is more than 50 percent. Now why? The elections are an extremely important democratic institution. If we are committed to building a democratic state, the most important thing is to encourage people to vote. We hope that many of our voters will be people who would not go to the polls if we were not running.

[Skowronski] However, there was a time already when they did not vote; it was when President Walesa was running in the presidential elections. As many as 40 percent of persons did not vote.

[Szymanderski] At that time it was 40 percent. In 1991 the number was considerably larger. We can infer that we are witnessing a very alarming phenomenon of the waning prestige of the democratic establishments. We can suppose that the attendance would be even lower now. Therefore, BBWR wants to give an offer also to those who do not vote: Do vote when you have the opportunity.

[Skowronski] Can the magic of the president still be felt in Poland? The spell of Lech Walesa.

[Szymanderski] I think that it is, perhaps, not a magic. We can say that in 1981, for instance, and then in 1988 and 1989, Lech Walesa was a typical charismatic leader. However, now, as it has turned out, Lech Walesa is the only permanent and efficient politician on the political scene. In various government or parliamentary crises, he was able to act quickly and efficiently.

[Skowronski] And how were the events in Wrzesnia received in BBWR, that is the hooting of the president by the crowd which gathered there?

[Szymanderski?] Well, of course it was not received with pleasure. It is not nice if the president of the Republic of which we are all citizens, is hooted by people. But it was received with the proper humility, too. That is to say we realize now that there is a reluctance, there is a decrease in the prestige of democratic institutions. We realize that the issue is not only about specific allegations against the government for its inefficiency in this or that area, the issue is about a certain general disappointment of society with politics. That disappointment is dangerous because people who are disappointed with politics do not take part in it. By not taking part in it, they make it impossible to conduct democratic politics because democratic politics are based on people.

[Skowronski] What slogans will BBWR use to convince people to take part in the elections and vote specifically for BBWR?

[Szymanderski] I will not yet present to you the election slogans which we prepared ....

[Skowronski, interrupting] But you have some of these already?

[Szymanderski] Of course. We will communicate the slogans during a press conference in a more solemn way, that is obvious. But what is BBWR counting on? BBWR is counting on showing the possibilities of extending the political elites. At the point when people noticed that political parties, which are the basic institution of democratic regimes, internally tied themselves up, they are inefficient politically because of tremendous internal problems which all of them are encountering. Well, we must simply extend the political elites; more people must come into the political market. This may convince the voters because it may simply show a democratic possibility.

[Skowronski] Does BBWR have mostly new people?

[Szymanderski] Well, yes.

[Skowronski, interrupting] How was the selection carried out?

[Szymanderski] This is a difficult issue because it is exceptionally difficult to organize a movement within two months. Moreover, this is a movement flowing from the bottom up, that is a certain slogan was declared and citizens began gathering. Then all these people were coming, they were asked about, you know, about basic things even though they may seem trivial, like prior criminal record. [words indistinct] Of course... [pauses] I mean so fast... [pauses] Let us remember, if we are dealing with an old movement, then its candidate, its representative, is someone who often has years of work and many people who know him, to back him up. Here we are dealing with a new movement. This had to be done with great precision, very carefully. We hope we succeeded.

[Skowronski] Are there any selected candidates yet?

[Szymanderski] Yes. A great majority of the work is already done. What is happening now is a final approval, signing, and preparation of the lists and documents necessary for formal registration.

[Skowronski] And the four arms are there, in order? The president's four arms?

[Szymanderski] Well, yes. One can say that the president's four arms are there. But there is one thing — BBWR wants to enter the Parliament, it wants to take part in governing the country. That is quite natural, and so our program will have to cover many areas which are important for the state's existence and which are supported by the four arms but are not their integral part.

[Skowronski] What kind of guarantees are there that BBWR will not collapse after the elections, that it will not break apart into the four or even 40 arms, into a kind of wood-louse?

[Szymanderski] You know, let me be somewhat cynical. [words indistinct] .... political guarantees, that is the people who joined BBWR and who will begin to deal in politics and will want to continue doing that, they will hardly be able to change political parties. This is a period of stabilization for democracy. Now we still have cases of going from one party to another, disregarding the electorate, as it were. But this will not last long. Someone elected on a BBWR ticket will lose the next elections, if BBWR falls apart.

[Skowronski] Do you think BBWR is something permanent on the Polish political scene? That is to say whether it will not disappear after the elections and whether it will be a pro-president party or movement. Are these preparations for presidential elections?

[Szymanderski] Look. We know this much about BBWR right now. It is not a presidential party, it is not a party at all. It is an election platform. A party is one thing, and an election platform is another. What will BBWR turn into? That depends both on the election results and on what the political scene will look like after the elections.

[Skowronski] Finally, this question. What is the relationship between Lech Walesa and the party, BBWR? Is the president its leader? What is it about?

[Szymanderski] No. That relationship was described in many statements by the president. He simply put forward an initiative, he provided an incentive. But BBWR is really happening genuinely from the bottom.

[Skowronski] Are you running in the elections?

[Szymanderski] Yes.

[Skowronski] Do we know in what district?

[Szymanderski] Yes. I intend to run but as to in what district — that we will announce when election lists are announced after they are approved by the State Electoral Commission.

[Skowronski] So when will that be?

[Szymanderski] Why, on the 13th. The law says lists have to be submitted by the 10th and the State Electoral Commission has a few days more for checking and making reservations.

[Skowronski] Are you still OBOP's [Center for Research on Public Opinion] chief?

[Szymanderski] I am simply on vacation now, and during the vacation I am doing this.

[Skowronski] So did you have a nice time relaxing in Radio Zet's studios?

[Szymanderski] Very nice indeed. It is a very nice and stylish studio.

[Skowronski] Thank you very much. Thank you very much for the conversation. Our guest today was Mr. Jacek Szymanderski, BBWR's press spokesman.

[Szymanderski] Thank you very much.

Liberal Campaign Chief Discusses Program

WS1108063093 Warsaw RZECZPOSPOLITA in Polish 5 Aug 93 p 5

[Interview with Jacek Merkel, chief of the KLD (Liberal-Democratic Congress) campaign, by Malgorzata Subotic: "Parades Against the Tide;" questions printed in boldface]

[Text] [Subotic] Have you discovered a gold mine lately?

[Jacek Merkel] Me? Why?

[Subotic] Then perhaps some other member of the congress has?

[Merkel] I do not think so. However, I can guess that you are asking about money. We have enough.

[Subotic] Exactly. The fact that you have enough money does not endear you to your opponents.

[Merkel] We began the election campaign at the beginning of the year. It was earlier than the KPN [Confederation for an Independent Poland] for instance, which announced: the spring, time for work. Even though it was without a big splash, we started the work much earlier. First of all, we started dealing with the concept; however, we were aware that one needs money in order to wage a campaign. Therefore, we got ready to collect money among the people. The previous electoral law limited the expenditure on a single candidate. Now there are no such limitations. It is, therefore, all the better for those who can effectively collect more money.

[Subotic] What is your advice for those who complain that they do not have enough money?

[Merkel] Take care of it earlier. First think, then think, and finally get down to work. Also predict that in a democratic country now and then elections are held. If you observed the political scene closely enough, it was becoming increasingly obvious that the elections would be a little earlier. When we were working on our concept, which was in February or March, we expected that the elections would be held in a year's time.

[Subotic] Do you not think that the leading slogan [preceding word in German] of the congress' campaign: "one million new work places" is simply a provocation on the part of the liberals?

[Merkel] God forbid.

[Subotic] However, where was this idea, this slogan, taken from?

[Merkel] It is not a slogan. It is a fact.

[Subotic] Then we already have these million new work places?

[Merkel] This fact is the program that makes it possible to create a million new work places. It is not an example of economic science fiction; it is a program that takes the reality into account. The program requires brave and difficult decisions. However, the liberals are not afraid to make such decisions. It is, therefore, not a provocation; it is a result of our deliberations.

[Subotic] Which means?

[Merkel] Before we decided on this program, we went to great lengths to get to know the preferences of Poles: what is more and what less important for those who will determine the election result; what is the greatest fear, and what is the gradation of important matters. On the basis of sociological analyses, among other things, I have reason to believe that we have familiarized ourselves with voters' preferences fairly well.

[Subotic] It turned out, then, that the greatest problem was the fear for one's job?

[Merkel] Yes, it was. Hence the goal: a million new work places is supposed to be the crowning of our economic policy. We can achieve this goal and we know it; our election campaign boils down to presenting this to our voters.

[Subotic] The manner in which the congress is waging its campaign resembles American patterns. Do you not have any doubts that it may be a style out of place in the Polish conditions?

[Merkel] I think it is an exaggeration to call the style in which we are waging the campaign American.

[Subotic] How about the parade of the liberals in the streets of Warsaw or the election show in the Capitol cinema? Did it not resemble an American Fourth of July parade in the streets of New York?

[Merkel] Have you never seen burning flags and effigies in reports from America? This is exactly what happened in our country not long ago, in front of the Belveder. There are good and bad American patterns. We are following the good ones.

[Subotic] Who helps you with it?

[Merkel] We are cooperating with the best experts: the Saachti and Saachti company—in social communication, as well as Tomasz Kuczborski and Andrzej Pagowski, as far as graphic project are concerned. We will also cooperate with film producers; however, we have not made the final choice.

[Subotic] Such cooperation must cost a lot of money.

[Merkel] The campaign, in general, is very expensive. We are paying preferential prices, even because we have come first.

[Subotic] How much will the liberals spend on the campaign?

[Merkel] I estimate that we need 10 billion zlotys, perhaps less. We do not have the money yet. We do not have the money yet. I think that we should not skimp on money for the preparatory work, such as preparing the concept, expertise for the program, analyses, and sociological research. These are relatively insignificant costs in comparison to the money spent on advertising. However, we should think about each zloty earmarked for printed paper.

[Subotic] How much did the parade of the liberals cost?

[Merkel] A few dozen million [currency not specified].

[Subotic] So maybe the KPN [Confederation for an Independent Poland] made a better choice. "The witnesses of the confederation" went from door to door and practically incurred no costs. Besides, the possibility cannot be ruled out that this method better fits the Polish conditions.

[Merkel] It is not common practice in Poland that people are visited at home. Life in our country is changing rapidly; it is becoming increasingly professional. Therefore, we want to adjust policy to the middle class.

[Subotic] Are you not over optimistic?

[Merkel] The fundamental thing is the reality; let us call it a sociopolitical reality. A wave of socialism is becoming more and more conspicuous in Poland. We are witnessing a counter-reaction toward the upgrading of "Solidarity" to power. Where does this renewed surge of sentiment toward Socialism come from? In my opinion, it results from all the stress that has accumulated in the people in the past four years. For many people the changes are taking place too fast. The most severe stress is caused by the danger of losing one's job. The willingness to have both capitalist shops and socialist social security manifests itself in the intention of voting for socialist parties. This desire to have both is natural, but also unrealistic. Among the eight parties which, according to opinion polls, have the greatest support, the congress is the only rightist party. The congress, just like other rightist parties, will not allow itself to be taken with the wave: it is moving in the other direction.

I am fully aware of the fact that conducting the elections efficiently is only one thing. The first thing is the general trend among the people, which I have mentioned. Another platform is related to politics: how is the party that is running in the elections constructed; what are its authorities like and what are the parliamentary achievements. Only then comes the next platform: informing the voters about one's program, that is, waging the campaign.

[Subotic] To what extent, do you think, the campaign itself may influence the result of the elections?

[Merkel] I am not knowledgeable enough to evaluate it. Actually, I am only an amateur, even though in comparison to even greater amateurs, it may seem different. All I know is that even the best campaign cannot reverse general trends and change the Polish dreams about social security. As for us, we do not want to promise anybody the moon.

[Subotic] The million new work places is not an attempt to appeal to those dreams, then?

[Merkel] This is an attempt at a concrete answer to a real Polish problem.

[Subotic] What other surprises is the congress going to give us in the election campaign?

[Merkel] Our campaign has already been planned until the end; both information programs and special election programs. It is a little difficult to take a good advantage of the free-of-charge time because we must be in one television bloc with other parties. This is just like advertising 12 washing powders at a time, and wishing that the viewers would listen to it and take in the differences among the powders.

[Subotic] What is the greatest difficulty in the waging of the election campaign?

[Merkel] Keeping the discipline in a democratic organization, which a political party happens to be. The means used in an election campaign are similar to those used in advertising campaigns; however, the product which we want to advertise, that is, a political party and the people who are part of it, do not obey the discipline as much as a washing powder box does. They do not, despite the fact that this discipline is necessary to be effective.

[Subotic] What does the congress fear the most in the election campaign?

[Merkel] Nothing.

[Subotic] Why do the liberals practically make no statements on the BBWR [Non-Party Bloc in Support of Reforms]?

[Merkel] The world will not end on 19 September. It can be predicted which parties will probably enter the Sejm and which ones will not be able to do that. The number of possible coalitions is also limited.

Democratic Left Alliance Outlines Platform

LD1008175793 Warsaw PAP in English 1724 GMT 10 Aug 93

[PAP punctuation throughout]

[Text] Warsaw, Aug. 10—The September parliamentary elections are important, because the next few months will determine whether Poland will have prospects for growth over the next few years, or whether the country will face further degredation, Aleksander Kwasniewski, leader of the post-communist Democratic Left Alliance (SLD), said on Tuesday.

Speaking at a meeting to present the SLD candidates for the Sejm and Senate in the September elections, Kwasniewski said that the SLD "Programme for Poland" is a complete alternative to the programme of the Suchocka government. "Our programme accepts (...) the rationalism necessary for the growth of the Polish economy, while bearing in mind the interests of working people," Kwasniewski said.

"We shall be fighting for parliamentary seats in a democratic election, which we will win only after a hard fight, particularly against the Right, which has no programme, is aggressive, and cannot get away from the problem of de-communisation," he continued.

Kwasniewski asserted that the SLD candidates would be dealing with a society which was mature, critical, ill-disposed towards politicians, but more conscious and loyal in its choices.

Another SLD leader Jozef Oleksy told a press conference that the party's programme "will lead to economic growth as there is no solution of social problems without it." The main theses of the SLD programme include the reduction of unemployment by the introduction of investment tax relief, stimulation of exports and housing construction, stable money policy in agriculture, lower interest rate, letting in foreign investments, expansion of privatisation and a clear social policy.

Head of the SLD electoral headquarters Jerzy Szmajdzinski reported that the party has registered 613 candidates for the Sejm (lower house) on 52 district lists and 79 candidates for the Senate in 48 provinces.

Solidarity Wants New Regions on Unemployment List

LD1008165393 Warsaw PAP in English 1528 GMT 10 Aug 93

[Text] Warsaw, Aug. 10—The Presidium of the National Commission of the Solidarity trade union on Tuesday asked Prime Minister Hanna Suchocka to include new regions on the list of areas threatened with structural unemployment.

Solidarity expected the PM [prime minister] to make this decision during the forthcoming cabinet meeting.

Coal Price Hikes Suspended

LD1008161593 Warsaw Radio Warszawa Network in Polish 1100 GMT 10 Aug 93

[Text] Deputy Premier Henryk Goryszewski has let it be known that coal price rises for industrial customers have been suspended until the end of August. The deputy premier announced a round of meeting with representatives of coal companies, steel plants, and power plants. During the meetings a ceiling for coal price rises will be set, which will make possible the improvement of the situation in the collieries without the need for raising energy prices.

Miners End Strike; Salary Demands Met

AU1108080793 Bucharest Radio Romania Network in Romanian 0400 GMT 11 Aug 93

[Text] The general strike of the Jiu Valley miners has concluded last night at 0015 [2115 GMT], after the extraordinary meeting of the administration board of the Petrosani Pitcoal Public Corporation, as a result of negotiations between the employers and the trade unions, during which the wage scales proposed by the miners have been adopted, our correspondent, Dorin Corpade, reports.

After the conclusion of the labor conflict, this morning at 0600 work resumed in the Jiu Valley mining units, the number of miners who showed up to work being similar to usual for the beginning of a working week.

This latest general strike, which was preceded by a period of time during which the miners had spontaneously laid down tools, was the longest period in the past decades during which production has ceased in the Jiu Valley. Therefore, it was decided that the lost time, and also the lost production, will be recovered by additional work on non-working days, respectively on Saturdays and Sundays.

Road Workers' Union Announces General Strike

AU1008180993 Bucharest ROMPRES in English 1649 GMT 10 Aug 93

[Text] Bucharest ROMPRES, 10/8/1993—The trade unions of the national and county road-maintenance units of Romania will start a general strike on August 17, 1993, shows a release from the Federation of Free Road Workers' Unions.

The decision was made after the July 26 warning strike failed to bring about the necessary dialogue.

Through their representatives, the road workers requested that the strike should proceed through:
—blockage of national and county roads;
—blockage of access to frontier crossing points;
—blockage of Danube bridges in all toll agencies.

They thus try to call the government's attention to their dramatic situation as regards the pay level and the delay in the making of the laws governing the respective units' activity, the release reads.

Engine Drivers Union Announces Strike To Resume

AU1008183693 Bucharest Radio Romania Network in Romanian 1700 GMT 10 Aug 93

[Text] Our correspondent, Mihai Seceleanu, this evening received the following communique issued by the Federation of Free and Independent Trade Unions of Engine Drivers of Romania. We present the complete text of this communique:

Given the fact that the latest attempts by the management of the National Railroad Company to diminish the state of conflict between the management of the company and the personnel working in the traction branch have failed, the engine drivers of Romania have decided to continue the strike that they interrupted on 16 June by starting a general strike tomorrow at 0700 local time [0400 GMT], in accordance with the communiques issued on 4 August 1993. The communique also notes that passenger and freight trains that will already be under way tomorrow at 0700 will continue their journeys to their final destinations. Trains that are due to set off from stations after 0700 will remain at their respective railroad stations.

The communique is signed by Mr. Ioan Vlad, leader of the federation, our correspondent reports.

Company Argues Against Strike

AU1008202393 Bucharest Radio Romania Network in Romanian 1900 GMT 10 Aug 93

[Text] The Free and Independent Trade Unions of the Railroad Engine Drivers within the Romanian National Railroad Company [SNCFR] intend to go on a general strike beginning 0700 [0400 GMT] tomorrow, a communique faxed to us by the SNCFR press office says.

The unions explain the protest action by the fact that the SNCFR Administration Board has not forwarded any suggestions concerning the new salaries of the engine drivers, to be used as a basis during negotiations with the unions regarding the collective labor contract over 1993-1994, as established by the protocol signed in Brasov on 16 June.

The SNCFR communique points out the fact that during those negotiations the administration board has fully presented its proposals for planned increases in engine drivers' salaries, a fact that has also been admitted by the Federation of the Railroad Engine Drivers' Union. During the negotiations the parties agreed, by ballot, with a majority of about 83 percent, to adopt a new salary scale, stipulating an increase of about 55 percent of the basic salaries, as compared to May 1993, for all categories of personnel employed by the SNCFR. This agreement was not sanctioned by the engine drivers' unions, which eventually did not sign the collective labor contract.

According to the stipulations of the new collective labor contract, the regular monthly basic salaries of railroad engine drivers amount to 102,775 lei. However, considering the various additional bonuses, their average monthly income amounts to about 180,000 lei, assuming that they work under normal conditions. The same labor contract establishes a hazard bonus of 15 percent, instead of 5 percent, as it used to be under the old collective labor contract.

The SNCFR communique also highlights the fact that, quote, considering that the strike action of the month of June 1993, which was organized by the same trade unions, was subsequently declared illegal by the ruling of

the Bucharest Municipality Court, we appeal to all railroad engine drivers to demonstrate their power of judgment specific to railroad workers, and renounce their intention to initiate and participate in a new strike, which, in the current difficult financial situation of SNCFR, would lead to extremely serious consequences both for the Romanian railroad employees and for the entire population of the country, unquote, the communique sent to us by the SNCFR press office reads.

Court To Decide on Suspension

AU1108090693 Bucharest Radio Romania Network in Romanian 0800 GMT 11 Aug 93

[Text] The Romanian National Railroad Company [SNCFR] has sent us a faxed message reporting that they have forwarded a request to the Supreme Court of Justice, asking for the suspension of the general strike declared by the Federation of Free and Independent Trade Unions of the Railroad Engine Drivers of Romania.

The Supreme Court of Justice announced that the case will be heard in court at 0900 [0600 GMT] on 13 August, reducing the time of the parties' summoning to 24 hours, as stipulated by Bill number 15 of 1991 on the settlement of the collective labor conflicts.

The communique is signed by the SNCFR chairman, Aurel Dumitrescu.

Iliescu Comments on Moldova's CIS Vote

AU0608182593 Bucharest ROMPRES in English 1628 GMT 6 Aug 93

[Text] Bucharest ROMPRES, 6/8/1993—Romania's President Ion Iliescu told the press, on his return home, about the results of his tour in four Latin American countries. He referred to the vote of the Parliament of Moldova, which did not ratify the CIS Charter.

"We have affirmed a strong will we all share to fortify the good relations established between our countries to open new ways, to develop the framework of the development of political, economic, cultural relations, cooperation in international bodies. Negotiations were held on ways to enlarge opportunities and ways of cooperation, considering Romania's position in its geographic area and the interest Latin American countries take in this zone, with a view to the development of free zones and the creation in Romania of storing stations and assembly lines for products coming from the countries I have recently visited, destined both for the Romanian market and for other markets in our area.

"Emphasis was laid on the prospects of Latin America and Eastern and Central Europe in the world economy. Both of them have chances to turn into dynamic zones with a special role in balancing and relaunching the world market," said Iliescu.

"We had talks aiming at both bilateral ties and the role and place of our countries in the world, and our discussions were conducted in a climate of full understanding." President Iliescu made an appeal on this occasion to west-European countries to cooperate with Eastern and Central European states in order to overcome together the present barriers and difficulties.

In answer to a question Ion Iliescu disavowed that he would have called miners to Bucharest in June 1990, as the miners' leader Miron Cosma had said.

As for the August 4 vote of the Parliament in Chisinau Ion Iliescu said: "In my opinion the relations between the Republic of Moldova and Romania do not depend on the former's ties with other states. Moldova is an independent state, it can have links with whomever he chooses. That does not affect its relations with Romania."

Press Comments on Vote

AU1008114293 Bucharest ROMPRES in English 1053 GMT 10 Aug 93

[Text] Bucharest, ROMPRES 10/8/2993—The proceedings will resume today of an extraordinary session of the Parliament of the Republic of Moldova after blockage launched last Wednesday by parliamentary majority groups unsatisfied with the failure to ratify membership to the Commonwealth of Independent States.

The Chisinau press correspondent of the daily ADEVARUL indicates that "the majority" have had several meetings behind closed doors, according to some sources, in an attempt to annul results of the previous vote. But the invoked reason—"too few voters," is not standing, according to the press envoy, for the necessary quorum had been met (188 deputies had effectively voted out of 331 deputies, which is a comfortable figure for the necessary majority).

All leading dailies in Romania are devoting extensive space today to last week's vote in the Chisinau Parliament and are unanimous in calling it "a historic act" which proves once again the will of the Romanians in Bessarabia to resist political, military and economic pressure put by Moscow and the 14th Army. "It had been a firm no said to traitors and to country traders at political neocommunist counters... A firm no to the partisans of Russian internationalism, of a new brotherhood with a historic enemy under an economic canopy," writes the daily.

The daily DIMINEATA writes that "we do not have to go into ecstasies or not to underestimate the decision of the parliament at Chisinau. We have to simply conclude that the Moldovan intelligentsia has proved Romanian ancestral wisdom," as stated by Alexandru Mosanu, a former president of the Chisinau Parliament. The daily DIMINEATA also adds: "the phenomenon we are witnessing must be viewed as a victory of the spirit of national dignity against obedience in front of the spirit of empire on constant rebirth."

The daily draws attention on major difficulties standing in front of those wishing Romania to become "a mother" and not "a sister country," "as Mr. Mircea Snegur or Mr.

Sangheli are wanting." An intensification of the anti-Romanian offensive is likely to take place, as the daily COTIDIANUL indicates. "It is for this reason that Romanian officialdom has to give up its calculated neutrality, returning to its historic and moral duty in front of a province persecuted by history...." "Romania should seek reinstatement as an aggressed country and victim of Soviet imperialism, entitled to defend its people in its national historic unity recognised by international treaties." In the opinion of the same newspaper, a ministry of reunification, part of the Bucharest Government, should be organised to take over the set of problems concerning Bessarabia, including the issue of economic support needed in the current stage.

A letter addressed to President Mircea Snegur by Bessarabian poet Grigore Vieru and quoted by the newspaper VREMEA urges President Snegur that he will "obviously lose the fight with unionists, such as the war in Transdniester was lost. It is not the intelligentsia that will overthrow you, but lice, as the philosopher said, that is economic disaster and corruption for which we are bearing no guilt."

Vacaroiu, World Bank Official Discuss Loans

AU1108062793 Bucharest ROMPRES in English 1344 GMT 10 Aug 93

[Text] Bucharest, ROMPRES 10/8/1993—World Bank permanent representative in Bucharest Arntraud Hartmann called on Romanian Prime Minister Nicolae Vacaroiu on August 10. They discussed in view of the report to the World Bank Romanian experts would produce, upon which talks would continue on the granting of the second tranche of the structural adjustment loan.

The two officials mainly discussed matters related to financial discipline in Romania. The prime minister said that the executive planned to take drastic steps in that respect and to draft a bill to introduce penal sanctions for failure to observe financial, foreign currency discipline and for fiscal shelter. The restructuring commission's activity too, was touched.

The World Bank representative assessed as very encouraging the action pursuing the financial monitoring of thirty enterprises and asked that firm steps be taken in that respect, consistent with the laws in force.

National Bank Announces New Policy Measures

AU0908201893 Bucharest ADEVARUL in Romanian 7 Aug 93 p 2

[Daniel Oanta note: "The National Bank Declares War on Inflation"]

[Text] Yesterday, the Management Board of the National Bank of Romania publicly announced a first set of currency policy measures. They are part of the economic and financial policy package for stabilizing and restructuring enterprises, a package negotiated with the IMF within the framework of the financing arrangement for 1993-94.

Basically one aims at stopping inflation and ensuring that its rate does not exceed 70 percent in the August 1993-August 1994 period. To this end, the available cash in the economy will be submitted to an indirect control and the cash flow will be regulated so as to maintain inflation within the aforementioned limits.

The refinancing interest rate—with which the National Bank is refinancing the commercial banks—will also be 70 percent. On the other hand, various refinancing requests in excess of the established limits—which were objectively deducted from the controlled cash flow—will be submitted to the commercial banks by auction; in other words, the interest rates in such cases will be the ones on the free market. Romania's National Bank will no longer grant loans at preferential interest rates; the remaining such arrangements will be gradually abolished.

At his news conference yesterday, National Bank Governor Mugur Isarescu emphasized the need for the population to negotiate with the banking institutions appropriate interest rates for their savings and loans. Likewise, as of yesterday, the sum of money that people may change into hard currency has been increased from 200,000 to 500,000 lei.

The envisaged anti-inflationist measures will be correlated with the restructuring process of unprofitable enterprises, that are currently being indirectly subsidized by maintaining a negative interest rate. In other words, the companies that fail to recover from the viewpoint of production, competitiveness, and efficiency will have little chance of survival, something that will lead to a further increase in the number of unemployed. The aforementioned measures are a new attempt at relaunching the Romanian economy and—why not admit it—conform ourselves with IMF requirements.

Machine-Building Industry Productivity Increasing

AU1008094593 Bucharest ROMPRES in English 0743 GMT 10 Aug 93

[Text] Bucharest ROMPRES 10/8/1993—"There is hope for a revival in the machine-building industry this year in the shape of a 10 percent increment as against 1990," is the conclusion of a commentary on this topic carried by the weekly CAPITAL. The article says that labour productivity this year is expected to grow by some 20 percent at a some 6 percent higher physical production from the 1992 level, carried out with only 88 percent of last year's personnel.

The commentary cautions on the dangerous post-revolution governments' drive towards "burying this industry that now holds about 25 percent of Romania's exports, under the name of 'heap of scrap iron,'" an idea backed by the managers of the old tradition companies,

in the hope that this will help them obtain complex and modern technologies. This sector, which has a tremendously diverse manufacturing range, includes 317 state companies, of which 212 are industrial units and 40 do related research and design work, all with a capital of 2,000 billion lei, the paper says quoting the Machine-Building Department of the Ministry of Industries. Of the said state industrial units 63 are on the list of companies in a critical financial situation, published by the competent department a few weeks ago.

The paper writes that the hope for a revival of the sector is fostered by the improvement during the first semester 1993 compared to last year, mainly in the factories manufacturing tractors, farm machinery, road vehicles for cargo and passenger transport, limousines and general purpose cars, ship and power generators, food equipment. Instead, prognoses are gloomy for the manufacturers of steel plant, oil drilling, mining and chemical equipment and of rail cars and engines.

Trade Deficit Statistics Show Economic Decline

AU0608201593 Bucharest ROMANIA LIBERA in Romanian 2 Aug 93 p 4

[Mariu Carbunescu note: "The Decline of the National Economy Continues"]

[Text] The trade deficit in the first six months of the year has reached $712.6 million. In the first half of last year, the deficit was $877.3 million. Therefore, Mr. Nicolae Vacaroiu can take pride in having reduced the trade deficit. We would also have rejoiced if this reduction had not been due to $155.8 million worth cuts in our imports—from $2,563 million in the first half of 1992 to $2,267.2 million in the first half of 1993. This reality is the consequence of a continuous decrease of production, although its share in the country's exports has gone up. It seems that the government still has the nostalgy of the times when, in order to pay our debts, we offered everything for export, concurrently with drastically reducing the imports.

According to statistics released by the Ministry of Commerce, the first three categories of imported products, amounting to 26.1 percent of the overall value of imports, are raw materials. Their reduction would be tantamount to blocking the national economy. The first place is occupied by oil, with 3,487,000 tonnes, amounting to 16.06 percent of the overall imports, followed by natural gas (1,540 million cubic meters), amounting to 5.66 percent of imports, and coal (1,687,200 tonnes), amounting to 4.38 percent of imports. We mention that wheat, another indispensable product, is in fourth place as far as imports are concerned (2.47 percent). These data are yet another reason for concern over the decline of the Romanian economy under the current government.

Foreign Media Bulletin: Balkan Crisis 11 August

WA1108171693

The following is an overview of current FBIS reporting on events in the Balkans. It supplements other FBIS reporting and consists primarily of selected summaries of longer reports. For reference purposes, serial numbers of the longer reports are provided.

SUMMARY

Bosnian President Izetbegovic returns to peace negotiations ... Military leaders sign Bosnian cease-fire agreement ... Bosnian Serbs claim to be withdrawing from Mounts Igman, Bjelasnica ... Continued Serbian attacks on Maslenica bridge reported; Serbs say Croats preparing for offensive.

DIPLOMATIC

IZETBEGOVIC RETURNS TO TALKS: Belgrade Radio reports Bosnian President Izetbegovic has returned to the negotiating table at the Geneva peace talks, ending his boycott of the negotiations. However, although Izetbegovic held talks with international mediators Owen and Stoltenberg, he missed a scheduled meeting with Bosnian Serb leader Karadzic, reportedly in protest over the continued presence of Serbian forces on two strategic peaks overlooking Sarajevo. (AU1008173793, AU1108140593)

MILITARY LEADERS SIGN AGREEMENT (Belgrade Radio, TANJUG): Muslim, Croatian, Serbian military leaders announce signing of unconditional cease-fire agreement among the warring sides in Bosnia to take effect once a peace agreement is signed at Geneva talks. According to TANJUG, Bosnian Croat commander Petkovic expressed skepticism about the cease-fire's implementation, saying it is "futile" unless a "comprehesive peace agreement" is reached in Geneva. (AU1108083493, LD1108093493)

MILITARY

KARADZIC SAYS SERBS WITHDRAWING (Belgrade Radio): Denying UNPROFOR charges that Serbian forces are remaining on Mounts Igman and Bjelasnica, Bosnian Serb leader Karadzic claims Serbs are continuing a "massive withdrawal" from the peaks overlooking Sarajevo. AFP quoted an UNPROFOR spokesman as saying that the Serbs are "not budging" and "just pretend to move when UN monitors approach." (AU1108140593, AU1008175693)

SERB-CROAT TENSIONS IN KRAJINA (TANJUG, Zagreb Radio): TANJUG reports Krajina Serb forces accuse Croatian Army of trying to provoke a "major conflict" by firing on their positions near the Adriatic coast, while Zagreb Radio reports continued Serbian shelling of Maslenica bridge, Croatian Defense and Security Council meet to determine response. (LD1008135893, LD1108072293, LD1008145293)

Military Leaders Sign Cease-Fire Agreement

AU1108083493 Belgrade Radio Beograd Network in Serbo-Croatian 0800 GMT 11 Aug 93

[Text] SRNA news agency reports that a military agreement on peace in the former Bosnia-Herzegovina has been signed at Sarajevo airport this morning.

This document is a part of the Geneva peace agreement. It envisions an unconditional cease-fire between the warring sides in the former Bosnia-Herzegovina and the measures for its observation, the separation of the sides, the supervision of borders, the organization of the infrastructure, and the safety of movement throughout the territory of the former Bosnia-Herzegovina.

As SRNA reports, the military agreement was signed by Lieutenant General Francis Briquemont, commander of the UN Protection Forces in the former Bosnia-Herzegovina; Lieutenant General Ratko Mladic, commander of the general staff of the republic of Srpska army; commander of muslim army General Rasim Delic; and General Milivoj Petkovic, commander of the forces of the Croatian Defense Council [HVO] of the Croatian community of Herceg-Bosna.

The provisions of the agreement will be implemented immediately after the final signing of the Geneva peace agreement, SRNA's statement says.

Commanders on Agreement

LD1108093493 Belgrade TANJUG Domestic Service in Serbo-Croatian 0833 GMT 11 Aug 93

[Text] Belgrade, 11 Aug (TANJUG)—Negotiations that began yesterday and were held at Sarajevo airport under the auspices of the UNPROFOR [UN Protection Forces] commander for former Bosnia-Herzegovina between army commanders of the three warring factions in the Bosnia-Herzegovina conflict ended at 0430 this morning with the signing of a military agreement on peace in Bosnia-Herzegovina, the SRNA news agency has reported.

This document, as the agency says—which is a part of the Geneva peace agreement—regulates an unconditional cease-fire between the warring sides in former Bosnia-Herzegovina, the measures of its implementation, the separation of forces, the monitoring of borders, the restoration of the infrastructure, and the security of freedom of movement in all parts of former Bosnia-Herzegovina. Provisions of this agreement are to come into effect immediately upon the final signing at the Geneva peace talks.

Following 17 hours of negotiations, the military agreement on peace in Bosnia-Herzegovina was signed by Lieutenant Colonel General Francis Briquemont, commander of UNPROFOR for former Bosnia-Herzegovina; Lt. Col. Gen. Ratko Mladic, commander in chief of the army of the republic of Srpska; Gen. Rasim Delic, commander of the Muslim army; and Gen. Milivoj Petkovic, commander of the forces of the Croatian Defense Council of the Croatian community of Herceg-Bosna.

Immediately upon the conclusion of the meeting at Sarajevo airport, Gen. Briquemont expressed pleasure with the agreement that, according to Briquemont, "is an extremely important segment of the continuation of peace negotiations in Geneva".

Gen. Mladic stressed that "now it is most important to secure an unconditional cease-fire". Saying that considerable Serb army forces have already been withdrawn from Mts. Igman and Bjelasnica, Mladic added that "the withdrawal of the army of the republic of Srpska from these mountains primarily depends on UNPROFOR's readiness to place under its control important strategic points on these mountains".

Gen. Petkovic, commander of the Croatian Defense Council, expressed skepticism toward this agreement because "it is futile unless the Geneva negotiations continue or a comprehensive peace agreement on Bosnia-Herzegovina is accepted".

Sarajevo Radio on Talks

AU1008160493 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 10 Aug 93

[Report by Zoran Pirolic from Sarajevo airport]

[Text] The aggressor's troops have still not withdrawn from Mt. Igman, which is the main obstacle for the continuation of the political talks in Geneva.

This is doubtless one of the most disputed issues at the talks held by the commanders of the Bosnia-Herzegovina Army, the Croatian Defense Council [HVO], and the Serbian aggressor's side, which started at around midday at Sarajevo airport. Serbian troops have partially withdrawn from Bjelasnica, and completely destroyed the television tower at the summit of the mountain. General Mladic, commander of the aggressor army, demands that UNPROFOR [UN Protection Forces] troops take over the positions left by his army.

However, the UNPROFOR Command does not have enough troops for such a mission, so one can hardly see a way out of this situation. The aggressor's side does not find it enough for UNPROFOR observers go to Igman and Bjelasnica, because, according to him, this creates conditions for the return of the Bosnia-Herzegovina Army to the temporarily occupied parts of these strategically important mountains.

The three military commanders, [Bosnian commander] Rasim Delic, [Bosnian Croat Commander] Milivoj Petkovic, and [Bosnian Serb Commander] Ratko Mladic are now discussing the UNPROFOR plan for the implementation of the cease-fire agreement. While the issue of Igman and Bjelasnica remains the main issue for the Bosnian Army and the Serbian aggressor, the HVO Command is particularly interested in achieving a more

effective cease-fire in central Bosnia and in the Mostar region. UNPROFOR particularly stresses the need for freedom of movement for the humanitarian convoys, and the opening of roads from Sarajevo to Zenica and Mostar.

So far, there has been not a single concrete result from these talks. The negotiations by the three military commanders are expected to last all afternoon and late into the evening.

Serbian Communique Denies Forces Reclaimed Mt. Igman

LD1108073693 Belgrade TANJUG Domestic Service in Serbo-Croatian 0053 GMT 11 Aug 93

[Text] Belgrade, 11 Aug (TANJUG)—The general staff of the army of the republic of Srpska issued a communique early this morning denying news reports by some international agencies saying that Serb forces reclaimed the mountains of Igman and Bjelasnica on Tuesday [10 August]. The communique carried by SRNA says that Serb units are gradually leaving Igman and that they have completely pulled out from Mt. Bjelasnica.

The general staff of the army of the republic of Srpska says in the communique that, in the meantime, the exhausted Serbian formations deployed on Igman that were awaiting UNPROFOR [UN Protection Forces] forces to take over control were replaced by fresh forces. The objective of the replacement, however, is not to maintain positions on this mountain.

UNPROFOR: Serbs 'Not Budging'

AU1008175693 Paris AFP in English 1740 GMT 10 Aug 93

[Text] Sarajevo, Aug 10 (AFP)—Bosnian Serb forces held their positions on recently captured strategic heights overlooking Sarajevo Tuesday [10 August] despite repeated pledges to withdraw, UN officials said.

"They are not budging at all," said one official on condition of anonymity. "They just pretend to move when UN monitors approach and they immediately regain their positions on both Mount Igman and Mount Bjelasnica," he said.

"The Serbs have abandoned no positions, not even the summit of Bjelasnica," he said, speaking as talks continued at Sarajevo airport between Bosnian Serb commander Ratko Mladic, UN military officials and the head of the mostly Moslem Bosnian Army, Rasim Delic.

Commander Barry Frewer, a spokesman for the UN Protection Force, confirmed that Serbian artillery, tanks and trucks remained on Mount Igman.

"When the (UN soldiers) say they are there to take their place, the Serbian soldiers slap them on the back and laugh," he said.

Bosnian Serb political leader Radovan Karadzic agreed Sunday in Geneva to hand over Serbian positions on the two mountains to UN troops.

That concession was made in the face of new NATO threats to launch air strikes against the Serbian positions and of the Bosnian Government's refusal to attend further peace talks until the Serbs withdrew.

Serbs Repel Muslim Infantry Attack on Mt. Igman

LD1008192993 Belgrade TANJUG Domestic Service in Serbo-Croatian 1852 GMT 10 Aug 93

[Excerpt] Belgrade, 10 Aug (TANJUG)—The Srpska army today successfully repelled a strong infantry attack carried out by Muslim units from the direction of Osmice on Serb defensive positions in the Mt. Igman region, the Bosnian Serb news agency SRNA reported, quoting a statement issued by the information service of the Sarajevo-Romanija corps in Lukavica.

There is no information about any killed or injured on the Serb side.

During the afternoon, SRNA reports that the Muslims fired four 60-mm caliber shells at Serb defensive positions and civilian targets in the Serb Sarajevo municipality of Centar.

No one was injured, though minor material damage was caused. [passage omitted]

Mladic's Serbs Continue Offensive

AU1008194293 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 10 Aug 93

[The First Corps Press Center report from Sarajevo]

[Text] The Mt. Igman front has been very active today. There is absolutely no question of the Serbian-Montenegrin aggressor withdrawing from the conquered territories. On the contrary, Mladic's avaricious fascists have again launched several infantry attacks today. The fiercest one took place at about 1330 [1130 GMT] from the directions of Veliko Polje and Malo Polje on Mt. Igman. Tempestuous fire from small arms of all kinds was supported by a heavy artillery barrage against the defense lines of Mt. Igman and well beyond.

The legendary Mt. Igman is protecting its defenders with its forest and its well-designed retreats from which our fighters are successfully defending themselves. The intention of the Serbian-Montenegrin aggressor was to encircle some of our units, but our fighters thwarted that attempt in a magnificent counterattack, and even moved the defense line on some parts of the front by some 500 meters to our advantage.

All the enemy attacks were carried out despite the presence of UNPROFOR in close proximity to the clashes. So instead of withdrawing, Mladic's conquering

forces are continuing their offensive operations. It is only on certain positions that they have started moving their weapons deeper into the forest, feigning withdrawal. Not even UNPROFOR falls for such cheap and transparent tricks, let alone our fighters, who saw through their games long ago.

Since they were repulsed every time they launched an attack, the Serbian-Montenegrin fighters simmered down and the fighting in the afternoon was considerably reduced. At the time of sending this report, all that can be heard now is sporadic small arms fire. However, the deceptive Mt. Igman silence probably conceals new preparations by the aggressive enemy, so our fighters remain at full combat readiness.

UNPROFOR Deployment Reported

LD1008123893 Belgrade TANJUG in English 1115 GMT 10 Aug 93

["Pool" item]

[Text] Bratunac, August 10 (TANJUG)—The deployment of U.N. Protection Force (UNPROFOR) on the strategic Mounts Bjelasnica and Igman, near Sarajevo in the Former Yugoslav Republic of Bosnia-Herzegovina, and the deblocking of the Sarajevo-Zenica and Sarajevo-Mostar roads has continued despite Bosnian Moslem attacks aimed at preventing the arrival of UNPROFOR.

Moslems on Monday opened fire on a UNPROFOR unit heading for Mt. Igman, the General Staff of the Army of the Serb republic in Bosnia-Herzegovina (VRS) has said. One of the three reconnaissance UNPROFOR units reached Mt. Igman on Monday [9 August] and remained in the region of Babindo. The other two units have carried out their reconnaissance missions despite Moslem attacks.

Bosnian Serb forces withdrew from the positions near the TV tower on Mt. Bjelasnica on Monday, as planned. The peacekeepers reached the positions with a delay. In the meantime, Moslems shelled the area and damaged the TV tower.

The withdrawal of VRS troops from Mts. Bjelasnica and Igman was agreed on Sunday by VRS General Staff Commander Gen. Ratko Mladic and UNPROFOR commander for Bosnia-Herzegovina Gen. Francis Briquemont, after Bosnian Moslem leader Alija Izetbegovic had made his participation in the Geneva peace conference contingent on the withdrawal of Serb forces from strategic places near Sarajevo.

The Serb side insisted that, after the withdrawal of the VRS, complete control of Mounts Bjelasnica and Igman be taken over by UNPROFOR and not by Bosnian Moslems who until recently shelled Sarajevo and provided weapons from their positions on the two mountains.

Karadzic Views Sarajevo Situation, Possible Airstrikes

LD1008155493 London BBC Television Network in English 2130 GMT 9 Aug 93

[Interview with Bosnian-Serb leader Radovan Karadzic, by correspondent David Sells, in Pale on 9 August—from the "Newsnight" newcast; recorded]

[Text] [Sells] What do you think of the fuss being made over the two peaks?

[Karadzic] Those two mountains are strategically very important if the war is going to continue. That is why we captured them, because Muslim artillery have shelled Serbian parts of the city, [word indistinct], the center of Sarajevo and others. Finally we have decided to hand it over to United Nations, and we have been preparing for that and we withdrew some artillery.

[Sells] What is the problem, why can't UNPROFOR [UN Protection Forces] simply take them over in your view?

[Karadzic] Simply they don't have sufficient troops, they can only monitor the area but it is not enough for us.

[Sells] So for you to actually hand over these two mountains with their positions you are going to need many more UN troops?

[Karadzic] Exactly, we have to be safe and secure, to have guarantees that Muslim forces will not take those mountains and shell us again, and we need more UN troops. We are even ready to give our own troops under the command of UN, but if the Muslims are suspicious let us help UN troops to control these mountains.

[Sells] Do you have any idea of how many troops it would take?

[Karadzic] Well, I think two or three thousand troops could control these areas.

[Sells] We have the threat of air strikes hanging over this whole area at the moment, how do you think would ordinary Bosnian Serbs would react if these air strikes took place?

[Karadzic] I will tell you all of us are very angry about those steps. Who should come here and help Muslims to win Serbs, this is civil war, we are protecting our own land, our own territory. We have captured some territory that is Croatian or Muslim for defense reasons but we are ready to roll it back. Nobody should come here and take Muslim side and Serbs are absolutely against any involvement from America or NATO in this civil war, and if something happens then Serbian people will dissent.

[Sells] What can you do though against air strikes?

[Karadzic] I can't tell you that because I am not supposed to tell you what we can do against the air strikes.

[Sells] But you do have some plan of response ready should they take place?

[Karadzic] Of course, anyone who will be under that kind of attack would have a good plan to protect.

Karadzic Comments on Division Proposal

AU1008165193 Belgrade Radio Beograd Network in Serbo-Croatian 1506 GMT 10 Aug 93

[Interview with Radovan Karadzic, leader of the Bosnian Serbs, on the telephone from Geneva by two unidentified reporters in the radio studio in Belgrade—live]

[Text] [Reporter] We now have Radovan Karadzic, president of the republic of Srpska, on the line from Geneva. How are you?

[Karadzic] Well, thank you, except that we are anxious....

[Reporter] Yes, Mr. Karadzic. I see that you had a strenuous night, and then all day. I assume that all this is directly connected with new complications and the blocking of the tripartite talks in Geneva.

[Karadzic] Yes, we have been holding bilateral talks here. Last night we had a long visit from some British members of parliament, who are learning more and more about the essence of the clashes. I can say that there are an increasing number of people in the British Parliament who, unlike the media, know exactly what is going on.

Moreover, Mr. Redman, who is to replace Reginald Bartholomew, also appeared today. He will be the U.S. meditator in these talks. He immediately came to visit us and brief us as to what NATO decided yesterday.

[Reporter] Can you tell us some details of that conversation, if it is not secret?

[Karadzic] I do not think that it is secret. Mr. Redman told us very correctly that they, that no one wants to get involved in the fighting, that [word indistinct] is in Serbian hands, and that they want a political solution to be found. We said that these threats have destroyed the current round of talks or almost destroyed it, because Izetbegovic has stopped cooperating in the hope that air strikes against Serbian positions will take place. He told us that this was not the intention and that the text indeed states that, first and foremost, a political, stable, lasting political solution is expected from the Geneva negotiations. The United States can therefore be expected to exert equal pressure on the Muslim side. We demand that equal pressure remains on all three sides at the negotiating table.

[Reporter] Mr. Karadzic, how do you then explain the new conditions that are being set by the Muslim leader? Our impression here, of course, is that these demands are growing all the time. Appetites are growing all the time. More than 30 percent of the territory is now being demanded. In addition to access to the Sava River and the sea, they are now demanding access to the Drina River. There is also mention of towns such as Foca, Visegrad, Zvornik, Prijedor....

[Karadzic] These are all vague demands. All this is beyond reality. Gorazde, which has been declared a protection zone, like Srebrenica and Zepa, we accept should belong to the Muslim republic. However, other areas cannot, because they constitute ethnic Serbian regions. Populating Sandzak or creating artificial majorities in these regions cannot deprive the Serbs of these regions.

What we know for certain is that the international community is quite satisfied with about 30 percent [of territory of Bosnia-Herzegovina] for the Muslim republic and some 16-18 percent for the Croat republic. We would then be left with about 53-54 percent of the territory. I think that we have a significant advantage, especially because we can decide what we can give up. We must give up something. We are trying to establish what the most vital things are for the republic of Srpska and the Serbian people as a whole. The vital parts will most certainly remain in our hands, because Mr. Izetbegovic is not in a position to set conditions. He is in a position to obstruct the talks, but not in a position to set conditions. The international community will finally work this out in the way that it should be done.

[Reporter] Mr. Karadzic, a few minutes ago we heard from TANJUG's Washington correspondent Lukic that the United States officially does not believe that the Serbs will withdraw their forces from Igman and Bjelasnica. They say that this is the latest Serbian trick.

[Second Reporter] Yes, this is what the press has been saying.

[Karadzic] This is what the press has been saying. This was [done] by some irresponsible individual from the State Department. What is correct is that it is completely crazy to ask the Serbs to withdraw from strategically important positions, since the war is not over yet.

[Reporter] Please continue. Hello.

[Karadzic] Yes, yes.

[Reporter] Please continue.

[Karadzic] However, we want to withdraw and let the United Nations take over these regions, which will probably belong to the Muslims in the final division. We understand that (?one of these) mountains should be in the Muslim republic, since we have Mount Jahorina [south of Sarajevo], which is a real beauty. We are ready for such a deal. However, we cannot let such strategically important positions to be taken by our enemies while the war is still going on. So, we are ready to withdraw the moment the United Nations appears. We will not withdraw until the United Nations comes. Mount Bjelasnica has almost been handed over to the United Nations. I

hope that a significant part of Mount Igman will also be handed over to the United Nations by the end of the day and tomorrow.

[Reporter] Mr. Karadzic, what is also important is how the international community is reacting to all these delays, blocking, and so forth. I would also like to ask you how Owen and Stoltenberg can take all this. They have spent more time with you than anyone else, not only with you but also with others. So one needs nerves of steel.

[Karadzic] I think that these two diplomats have good nerves and sound negotiating skills. Lord Owen has abandoned the position of representing the interests of the EC and came closer to the ideal position of the negotiator who is helping the sides in the conflict to find a solution. Mr. Stoltenberg has played this role from the very beginning. So, solutions are not being imposed. They are only trying to help in the search for a solution. A great deal of their energy and goodwill has been invested in saving the negotiations. I am convinced that they see and know what Izetbegovic is doing. I think that they have understood this as it should be.

[Reporter] Do you expect certain pressure to be exerted on Alija Izetbegovic to return to the negotiations. I am referring to some protagonists who have been encouraging him to do this.

[Karadzic] I think that there will be such pressure, even from the United States, although I must openly say that NATO has extremely irresponsibly placed a question mark over this round of negotiations. I think that it should be stated again that either we all become members of NATO or that NATO should be disbanded, since it is completely unnatural that there should be such a force that wants to intervene in the countries that are not members of that alliance.

[Reporter] Mr. Karadzic, just one more question since we know that you are in a great hurry and that you have much work. What are your predictions for the future.

[Karadzic] Sorry, I did not hear the question.

[Reporter] What are your predictions for the future?

[Karadzic] I hope that some contact will be establish tonight, perhaps with [Mate] Boban. We believe that Izetbegovic, who is currently holding bilateral talks with the cochairmen, will appear at 1000 tomorrow. I think that the Muslims could soon appear as the representatives of the third, Muslim, republic, and not as the representatives of some fictitious presidency. The next two days could be expected to shed more light on whether the negotiations will proceed or whether this round will fail, so to speak, although this round of talks has produced some important results, like the agreement on the concept of the....

[Reporter] Yes, the constitutional agreement.

[Karadzic] Yes, and the annexes to it. Only the map is left to be discussed. In this sense, one could say that this round of talks has been successful, but not completely successful.

[Reporter] [Words indistinct] Thank you very much.

[Karadzic] You are welcome.

[Reporter] Goodbye.

UNPROFOR Fires on HVO Checkpoint

LD1008211393 Zagreb HTV Television in Serbo-Croatian 2040 GMT 10 Aug 93

[Excerpts] The Muslim offensive on Croat areas in central Bosnia is continuing. [passage omitted]

At about 1200 today, UN Protection Forces [UNPROFOR] members opened fire on the Croatian Defense Council [HVO] checkpoint in the village of Zahum in Rama municipality. UNPROFOR officers explained this to HVO representatives by claiming that they came under sniper fire from the checkpoint. HVO soldiers denied this, pointing out that the fire was opened from a nearby Muslim village. Tension is rising but fortunately there were no casualties.

HVO Leader: 120,000 Croats Expelled by Muslims

LD1008194793 Zagreb HTV Television in Serbo-Croatian 1610 GMT 10 Aug 93

[Interview with Colonel Dario Kordic, Croatian Defense Council, HVO, leader in central Bosnia, by correspondent Smiljko Sagolj from central Bosnia; place and date not given; from the "Slika Na Sliku" program—recorded]

[Text] [Sagolj] It is already clear that because of its determination and success in defending itself from an aggressor superior in numbers, the name of Croatian central Bosnia will be written on the most precious pages of the history of the Croatian community of Herceg-Bosna. Busovaca, Vitez, Novi Travnik, Kiseljak, Kresevo, Maglaj, and Seher are towns that have had to fight on two fronts over the last 12 months. Croatian areas have been preserved against all odds.

We established a direct phone line with Vitez especially for "Slika Na Sliku" in order to interview Colonel Dario Kordic, one of the men most responsible for the fact that Croatian central Bosnia has survived the Muslim aggression.

Good evening, Mr. Kordic, can you give us a brief roundup of the military and political situation in central Bosnia?

[Kordic] Cordial greetings from Croat central Bosnia. Despite the latest cease-fire, Muslim forces are still on the offensive against Croatian areas in central Bosnia, mostly attacking toward Kiseljak and Zepce. The

number of civilian casualties in cowardly Muslim artillery attacks is rising in Croatian towns, particularly in Vitez and Novi Travnik. Muslims are bringing in reinforcements around Vares, preparing to attack this Croatian town.

It is a difficult situation for the almost 190,000 Croats currently in four enclaves and lacking basic conditions for survival. Muslim fundamentalists have so far expelled more than 120,000 Croats from central Bosnia. The food supply is almost nonexistent; electricity is almost always in short supply; and it is very difficult to care for the wounded and sick in improvised hospitals. Scores of people are dying because the Muslim side is not allowing the humanitarian organizations to evacuate seriously wounded and sick people to Herzegovina. [passage omitted]

[Sagolj] Mr. Kordic, you were the first to respond to Alija Izetbegovic's proposal on a union of Muslim and Croatian areas and people.

[Kordic] Well, I can say this on behalf of the Croats from central Bosnia, who utterly reject this proposal. This proposal is the latest trick from Alija Izetbegovic who is without doubt the most to blame for the suffering of the Croatian people in central Bosnia. We want to finally be our own masters within the Croatian republic of Herceg-Bosna. How can one consider artificial unity after everything that has happened? Only those who have never felt the blade of a Muslim knife can contemplate this from their warm opposition chairs and score sickening political points over the bodies of dead Croats from central Bosnia.

[Sagolj] Mr. Kordic, in your view and in the view of the leadership of central Bosnia Croats, which internal organization of Bosnia-Herzegovina would be most suitable for the Croats as well as others in Bosnia-Herzegovina.

[Kordic] I support a solution which will preserve Bosnia-Herzegovina and of course give the Croatian nation a right to their republic of Herceg-Bosna.

Several Wounded in Muslim Attack on Novi Travnik

LD1108083493 Zagreb Radio Croatia Network in Serbo-Croatian 0800 GMT 11 Aug 93

[Report by correspondent Zdenko Vranjes]

[Text] The heaviest fire in Mostar occurred along the town defense lines last night, while the Muslim army opened fire on the suburbs of Stotine and Cekrk with mortars, machine guns, and infantry weapons. Huge movements by the Muslim army south of Mostar have been noticed.

The Muslim forces opened fire last night along the Novi Travnik defense lines. Provocations in this area continued this morning. The village of Budisici and the center of the town came under attack from mortars and heavy machine guns. The information service of the Croatian Defense Council in Novi Travnik announced this morning that several people were wounded in the attack.

Croat-Muslim Fighting in Bihac Intensifies

LD1008155793 Belgrade TANJUG in English 1512 GMT 10 Aug 93

[Text] Bihac, Aug 10 (TANJUG)—Fighting between Bosnia's Moslems and Croats is accelerating in Bihac, the biggest town in the Moslem Cazinska Krajina enclave in the northwest, Moslem-controlled media reported. The report has been confirmed by Bosnian Serb military sources.

According to the sources, the Croats in Bihac are turning to the command of the French battalion of the U.N. peace-keeping force (UNPROFOR) for protection against the rampaging Moslem fundamentalists. Both sides have suffered casualties in a number of clashes, reports said.

The local Croat Army command is mobilising all able-bodied men to the defence against the menace of their Moslem neighbours and erswhile allies in the war against Bosnian Serbs, and preparing the evacuation of 4,000 Croats from Bihac via Serb-held territories to Croatia.

Bosnian Serbs have pledged to help, and UNPROFOR appears ready to do the same.

In Mostar, Herzegovina, Moslem and Croat belligerents fought fiercely last night, Zagreb-based Croatian Radio said. The report has been confirmed by Bosnian Serb troops stationed on hilltops overlooking this biggest town in Herzegovina.

Croatian Radio said that Moslems threw the first punch, in an effort to advance the front line, but were beaten back and the Croats advanced instead. Two Croat and six Moslem fighters were killed.

Bosnian Serb army sources estimate that the Moslem-Croat war for control of the Mostar area might come to a head in the next few days, because both sides are bringing in reinforcements.

FRY Reportedly Preparing for Gracanica Offensive

AU1008150393

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 1300 GMT on 10 August carries in its regular 28-minute newscast several reports on the fighting in the Republic.

The Gradacac Information Center reports that "the town has suffered another heavy artillery attack today, which is still under way as we speak. This must be the worst violation of the cease-fire so far. Tanks from (?Bucje) have been pounding the outskirts and defense lines of (?Zipa), while mortars have been used against

Medjedja Gornja. The aggressor has again activated his howitzers. From his stronghold of Turic, he fired eight 155-mm shells at the town center. As for our fighters, particularly those in Pozarike, the industrial zone, Sibovac, and Lukici, they have come under antiaircraft gun and machine gun fire."

The Second Operative Group reports from Gracanica that "the enemy from (?Stipovac), (?Sokolac), (?Poretina) has been using artillery against Maletici and Gracanica. Some 20 howitzer shells landed, killing one person and seriously wounding five others." The report says that "the aggressor is digging in his artillery in the area of (?Stipovac). He brought in reinforcements from Serbia and Montenegro overnight, indicating that an offensive is to be launched."

Reporting from Jablanica, Haldo Dervisbegovic says that "the HVO aggressor has been using long-range artillery against civilian targets. Within the last hour alone, six destructive howitzer shells have landed on the town."

The Mostar Press Center reports that "25 howitzer shells have today been fired at Bijelo Polje from the slopes of Mt. Velez. The HVO extremists and the Croatian Army are keeping up their attacks against Bosnia-Herzegovina Army positions and civilian targets. So far 21 people have been wounded."

Sarajevo Radio: Serbs, HVO Fortifying Positions

AU1008113693

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 1000 GMT on 10 August carries the following reports:

Reporting on "the constant offensive against the free territories of Tesanj, Maglaj, Doboj, and Teslic," a dispatch by the Seven South Operative Group of the Bosnia-Herzegovina Army states that the Serbian offensive is aimed "exclusively against 80,000 civilians," because "the so-called special units from Serbia cannot measure up to the bravery and morale of our fighters on the defense lines and are suffering great losses in each infantry attack." The dispatch says that the civilian quarters in Miljanovci, Kalosevic, and Klane were pounded by tanks yesterday while Tesanj was exposed to attacks from howitzers and tanks. "The war plans of [Serbian] General Momir Talic also included thwarting the arrival of the UN Protection Forces and humanitarian and medical aid" to Maglaj, the dispatch adds.

A report by the press service of the 3d Corps of the Bosnia-Herzegovina Army states that, last night, the Croatian Defense Council [HVO] carried out "a powerful infantry attack" on the Kiseljak-Fojnica battlefield, which the Bosnian Army units "successfully resisted." In the valley of the Bosna River, the press service continues, "we have observed an intensified fortification of the aggressor's lines." "There were no intense combat activities in the valley of the Lasva River either, but here, also, we have noticed that the extremist HVO members were digging into their positions," the report goes on. "The HVO troops failed to observe the cease-fire on the Bugojno battlefield," the dispatch says, "and were undertaking combat activities, especially around Gornji Vakuf."

The announcer in the studio reports that "in Bihac the morning is passing peacefully."

Correspondent from Olovo Velid Djindo reports that "at 0615 the enemy from the direction of Arapovci and (?Bjelic) again attacked the entire town area with 82-mm and 120-mm caliber mortars."

Mustafa Kurtovic reports in his dispatch from Gorazde that [Bosnian Serb army commander Ratko] "Mladic's criminals are stepping up their combat activities against the free Gorazde territory." As he says, all lines of defense were attacked from "a full range of available artillery." "The activities of the chetnik artillery against the village of [word indistinct], where the aggressor fired seven projectiles, were particularly fierce," the correspondent says. Kurtovic also reports yesterday's "infantry arms provocations," adding that "our defense lines were shelled with 82-mm mortars throughout the day."

Serbs Block Humanitarian Aid Convoys to Sarajevo

LD1008143693 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 10 Aug 93

[Excerpt] Representatives of self-styled authorities in Pale have informed UNHCR officials in Sarajevo that they will no longer allow Sarajevo-bound humanitarian convoys to pass. UNHCR spokesman Peter Kessler announced that this news reached Sarajevo today without any explanations.

Serb liaison officers at the UNPROFOR [UN Protection Forces] headquarters have been asked to provide an explanation, but they said they could not get in touch with their commanders in Lukavica. Kessler said that the UNHCR is still trying to obtain an explanation for this incomprehensible decision. This measure is undoubtedly a direct provocation against the United Nations. [passage omitted]

Tuzla Corp Commander Replaced for 'Indecisiveness'

LD1008125293 Belgrade TANJUG Domestic Service in Serbo-Croatian 1145 GMT 10 Aug 93

[Text] Banja Luka, 10 August (TANJUG)—The information service of the first Krajina corps issued a statement today quoting "well-informed sources" that Colonel Hazim Sadic, the commander of the Tuzla corps of the Muslim army, has been replaced.

The reason for his replacement is, as was said, the defeat of the Muslim army at the Brcko and Majevica battlefields.

Col. Sadic's fault is, according to the statement, "his indecisiveness and poor organization of offensive operations for the taking of Brcko."

Banja Luka Rally Protests U.S. Action Threat

LD1008172393 Belgrade TANJUG Domestic Service in Serbo-Croatian 1451 GMT 10 Aug 93

[Excerpts] Banja Luka, 10 Aug (TANJUG)—A rally was held in Banja Luka today to protest over the U.S. and NATO threat of military intervention against Serb targets in the republic of Srpska.

Over 1,000 citizens of Krajina and Banja Luka gathered on the central town square, to be addressed first by Banja Luka Mayor Predrag Radic, who stressed that threats will not bring peace. If democracy is imposed by force, they will find us a hard nut to crack, he said. [passage omitted]

Nikodin Cavic read out to the assembled people a greeting from Serb volunteers at the front: "Keep calm, we are united. The U.S. threats are but a trifle. The United States should get on with sorting out Cuba, which has been defying it for the last 50 years. We are stronger."

Parliamentarian Proposes Meetings With Croatian Assembly

AU1008185793 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 10 Aug 93

[Text] In his letter sent today to the Croatian Assembly, Dr. Abdulah Konjicija, chairman of the Chamber of Citizens of the Bosnia-Herzegovina Assembly, proposed, on behalf of the deputies of the Bosnia-Herzegovina Assembly, that the Croatian Assembly hold preliminary discussions on the Bosnia-Herzegovina Presidency's initiative to create a unitary region that would comprise the conditionally named Bosnian and Croatian Republics of the future union of republics of Bosnia-Herzegovina.

Dr. Konjicija suggests in his letter that the earlier initiative should be implemented at a meeting between delegations of the Croatian and Bosnia-Herzegovina Assemblies, at which the Presidency's proposal sent to the president of Croatia should be discussed.

Gas Supplies Restored in Sarajevo

LD1008205493 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2000 GMT 10 Aug 93

[Text] Sarajevogas has informed us that gas supplies were restored in Sarajevo at 1400 today. According to the latest reports, gas supplies are slowly returning to normal.

Herceg-Bosna Official Attacks Izetbegovic Policy

93BA1289A Zagreb DANAS in Serbo-Croatian 16 Jul 93 p 22

[Commentary by Slobodan Lovrenovic, adviser in the press office of Herceg-Bosna President Mate Boban: "Izetbegovic Is Not Crazy"]

[Text] *Alija hopes that after the war in Bosnia-Herzegovina, the Muslims will be 60 or 70 percent instead of 43 percent—enough for an Islamic state.*

Perhaps Alija Izetbegovic is a gambler. But his willingness to take risks is not unfounded. He has a clear strategy and plan. The ultimate goal, of course, is known from before.

Mr. Izetbegovic is not crazy. His decision to open new fronts, with the Croats, is completely consistent with his previous policy. The fact that many in Zagreb, and not only in Zagreb, do not understand this is another question. In that case, a surprise is possible. The split in the Croatian public and establishment on "Bosnian policy" is guaranteed.

To many Croats in Croatia, as well as to those in Bosnia, there is one enemy—the Serbs. This business with the Muslims is actually an unnecessary postscript. Those who spend all day racking their brains on how to deal with the Serb tanks that have replaced the Knin beams at the barricades clearly have no quarrel with the Muslims.

Not only must the Croat nation, economy, and military preserve its potential and definitely not waste it on some "secondary conflict in Bosnia"; it is also necessary that any new unrest in Croatia be avoided. Muslim refugees, 200,000 of them in Croatia, plus the indigenous ones, although they are Croats of Muslim religion, represent a powder keg. All that is needed is for the fuse to be lit. In fact, the fuse has already been ignited, but it has not burned all the way down yet, so that it could be cut off before the explosion. Hence the slogan: "Croatia cannot sustain two enemies."

Croats are being subjected to horrible genocide in central Bosnia and northern Herzegovina. Alija's army is burning towns, killing civilians, raping women, and destroying churches. He is openly expressing pretensions toward part of the Adriatic and the port of Ploce. He consciously provokes wherever he goes. More than 70,000 Croats from Bosnia-Herzegovina cannot understand why the Croatian state offers hospitality to the families of Muslim cutthroats. "Dirty Muslims get out" is not just noncommittal graffiti. The time has come to defend life itself and the remaining territory. Otherwise, Croats will disappear from Bosnia, Herzegovina, and even part of Croatia. Hundreds of towns and many cities have already been "cleansed." They have all but disappeared. We must respond to the Muslims. Tomorrow will be too late.

Alija Izetbegovic knows all this too. That is why his decision to break off the alliance with the Croats has its

own logic, but has no connection with Mate Boban's alleged rigidity. After all, Boban is the only one who has managed to persuade Izetbegovic to sign something, who has had the nerve to grapple with him, meeting "face to face" for more than 200 hours. The Muslim change of partners is counting on the new adversary's lack of unity, his unwillingness to respond with full force. The prospects for at least partial military success are not small.

Nevertheless, Alija's anti-Croat campaign and war orientation are not motivated exclusively by the desire to strike a blow against the "infidel Latins" at the right moment. Things look very different when regarded from the Muslim angle.

A poorly armed, rather disorganized military was already almost completely destroyed by JA [Yugoslav Army] sorties and the Bosnian Serb army. The creation of a new enemy seems utterly insane. Suicidal. The biological survival of his nation is even at stake.

Everything in Alija's behavior that seems erroneous, spontaneous, blind hatred woven into the rationality of political decision-making, is in fact the exact opposite. Clearly, one must take into account that the author of the Islamic Declaration and his followers have an essentially different mental framework and value system than that of Christians with a European orientation, even if the latter live at the edge of civilization.

The wartime conflagration is hitting everyone hard. Especially civilians. Ethnic cleansing is what the "Bosnian Calvary" will be remembered for. The idea is simple: In the end, a region will belong to the state whose nation lives on particular soil. It is necessary to surround as much territory as possible and ensure a significant majority of one's own nation. Clearly, no one gives any serious consideration to the Helsinki Act and the principle of the inviolability of borders.

Not only is Izetbegovic not counting the dead and wounded among his own nation; he is in fact increasing their numbers. The worse off they are, the better. He gains the aura of a victim. In this way, he will gain the right to some sort of state, on behalf of the "victim-nation." An oasis of deliverance for the wretched Muslims. The nation's leader will not be responsible for its suffering.

The idea of the usefulness of prolonging the conflict is simple. The longer the war goes on, the more people who will leave Bosnia-Herzegovina. Since at the same time impatience toward the Muslims is growing in neighboring countries, they will have to go to the only place they can—to Bosnia-Herzegovina. The result of the prolonged artillery-mortar destruction of cities in Bosnia-Herzegovina will be a change in the relative proportion of the population. Instead of 43 percent, Muslims will account for 60 or 70 percent. Perhaps even more. And that is enough for an Islamic state.

Alija Izetbegovic thinks that time is on his side. That is important to understand. That is why he does not want peace. Along the way he clumsily accepts, always with irretrievable tardiness, proposals that he had resolutely rejected back when they still could have brought about peace.

That is what happened with the Coutileir plan, the proposal of a federal structure, or the Vance-Owen plan. He fiercely opposed these documents, but now he supposedly sees them as the only solutions. Knowing that Karadzic will say no.

The reasons for this sort of behavior lie in preserving the role of victim and avoiding condemnation of the Muslim leadership by the international community for prolonging and spreading the war. The victims and the years necessary to achieve the goal—the establishment of a Muslim state—are not important. He abandons Muslims in Zepa, Srebrenica, Gorazde, or Tesanj without much pity. He is not interested in exchanges of prisoners of war or civilians. Moreover, he organizes expulsions of Croats from central Bosnia and northern Herzegovina.

This must be noted when seeking a response to the Muslim policy. It is also important to be aware of relations within the Muslim political leadership. Judging from what numerous analysts who offer the results of their work in the Croatian press write and advocate, it is far from what it should be. Muslim leadership has not moved beyond the awareness one obtains in a comfortable armchair in one's own apartment, in front of the television and with two Muslim friends in the editorial office or at the university.

General Halilovic's Wife Killed in Sarajevo

93BA1262B Ljubljana DNEVNIK in Slovene 14 Jul 93 p 10

[Unattributed article: "Halilovic's Wife Killed"]

[Text] Sarajevo, 14 Jul—It has been reported from government circles in Sarajevo that the pregnant wife of former Bosnia-Herzegovina army commander Sefer Halilovic was killed in unexplained circumstances in the Bosnia-Herzegovina capital. A month ago, Halilovic was relieved of his duties as commander in chief of the Bosnia-Herzegovina Army, without precise explanations. According to a story by people who did not want to be named, unknown individuals fired a shell at Halilovic's apartment in Sarajevo, only 10 minutes after his departure; the shell is supposed to have landed on the apartment's balcony.

According to some information, the lethal charge which killed Halilovic's wife and her brother-in-law was allegedly fired from an antitank rifle from a neighboring building. During the attack, which is reminiscent of a mafia hit, Halilovic's two children, who were likewise in the apartment, were not injured. According to the unnamed sources, the Serbian forces, which are besieging dying Sarajevo from nearby peaks, are supposed to have been responsible for the attack. It is interesting that the Sarajevo media did not report on the

above-mentioned attack, but those familiar with the case think that they would have done so gladly if they could have blamed the Serbs for this incident with a fatal outcome.

Officers Train for Terrorist Activities

93BA1262J Ljubljana DELO in Slovene 17 Jul 93 p 5

[Article by Kresimir Meler: "Islamic Advisers in Bosnia-Herzegovina"]

[Text] *Preparations for subversive actions are being financed by the Islamic Development Bank, claim well-informed sources; plans for sabotage in Croatian Herceg-Bosna.*

From our associate.

Europe, and also other continents, are to be gripped soon by a wave of Bosnian Muslim terrorism, in comparison with which previous actions by Islamic fundamentalists and other terrorist groups are only an innocent child's game. According to information from well-informed and reliable sources, a group of Bosnia-Herzegovina army officers led by Sefer Halilovic, Rusmir Mahmutcehajic, and the chief of the Bosnia-Herzegovina army's intelligence service, Fikret Muslimovic, in cooperation with volunteers and experts on subversive actions who have come from Syria, has already been preparing for six months for a series of terrorist actions aimed at "warning the world public about its intolerable passivity in the face of the genocide against Muslims and the obvious planned suppression of members of the Islamic faith."

According to these sources, the Islamic Development Bank [ISDB] has taken over financing the preparations for such actions, as well as strengthening the Muslim army in Bosnia-Herzegovina. As evident from the charter of the bank, with a basic capital of $8 billion, one of its principal tasks is "the most rapid possible economic and social development of the member states and Muslim communities throughout the entire world, in accordance with the principles of Islamic religious law." The special actions of the ISDB, which is also involved in financing trade, include nonrepayable loans, which are intended for investigating an area that could become a new Islamic center.

This actually involves the purchase of a considerable amount of weapons and payment for instructors for the needs of the Bosnia-Herzegovina Army. An agreement on this was concluded during a visit by Alija Izetbegovic and Fikret Muslimovic to Islamic countries, and they started to implement it three or four months ago, when instructors from the Islamic countries' intelligence services and armies began to arrive in Bosnia-Herzegovina and also in Croatia as "businessmen." Not only their arrival, but also about 30 aircraft bombs and cylinders with nerve gas were a sort of time bomb. Bombs from which a cloud of poisonous gases rises upon explosion were already tested in the Iranian-Iraqi war, and the JNA [Yugoslav People's Army] already tested them several years ago at Prokletije on the Serbian-Albanian border.

Most of the advisers and instructors were housed in the barracks at the Soda-So factory in Tuzla and the air base there. Instructors with visas and documents from the humanitarian organization Igassa train not only saboteurs, but also members of the Bosnia-Herzegovina Army's elite units, which participate in "cleansing" Croatian and Serbian settlements. Sefer Halilovic (in spite of his formal dismissal) and Hamdija Dervisevic are directly responsible for relations with the instructors. The task of the instructors and the people they are training for special actions on the territory of Bosnia-Herzegovina is "to prevent the fulfillment of the Christian plot against the Muslim people, which is shown in the maintenance of the ban on importing weapons and the establishment of safe areas, which will actually be similar to Indian reservations and Jewish ghettos. Since we have irrefutable evidence of a Serbian-Croatian agreement on the partition of Bosnia-Herzegovina into two spheres of interest and the actual destruction of the Bosnia-Herzegovina state, the activity of special units is necessary to establish a liberated area in territories where the Croats are settled now, and to reduce their number actively and passively. Particular attention should be paid to activating the operatives who were already included in Croatian units previously, as volunteers. It is necessary to act psychologically and also militarily against all Croatian forces, and civilians should be dealt with in the same way as the Army." This document was signed by Fikret Muslimovic.

The activities in other countries was supposed to be somewhat different. They also treat the so-called Croatian Community of Herceg-Bosna as a "different country"; there it is necessary, "in order to reduce the parastatal entity's defensive power, to carry out sabotage against electricity transfer installations and strategically important bridges and viaducts, and also to organize the assassinations of the more important representatives of cultural, public, and political life. This particularly applies to the Muslims who stayed there and even crossed over to the enemy's side. It is also necessary to poison or contaminate by biological means the water in strong bases of the hostile aggressor forces."

And what about other countries? Reliable and well-informed sources state that in Croatia, Austria, Slovenia, and other Western countries an extremely effective intelligence-sabotage network is already operating within the framework of various Islamic humanitarian organizations; it includes mostly former and current members of the Iranian, Egyptian, and Afghan armies. The task of the intelligence portion of this network is to "monitor important facilities in individual countries and collect information on them, to monitor the flow of people through individual facilities, and also the security systems for facilities and public and political figures who are known for anti-Islamic statements or who oppose the delivery of weapons to the Muslim people."

This group's task is to determine how it is possible to evade radar control and other security systems, and to secure information and any other assistance for newly arrived Muslim brethren, to help them settle, or to send them to the front in the Balkans (...). The task of assault-sabotage groups (composed of volunteers, two or three instructors and advisers—author's note) is, after determining the situation at facilities suitable for attack, in which they are assisted by domestic intelligence officers there, also to plan and propose plans for sabotage and diversions at specific facilities.

"With the aid of Muslim brethren employed at car rental firms and other suitable enterprises, it is necessary to consider the possibility of renting vehicles and aircraft that could help us in punishing the enemies of Islam. It is also necessary to establish close ties with Muslim brethren in Merhamet [Muslim Charitable Society], and above all to operate actively in Igassa, which has proven itself to be the most conscientious. Those ties should be exploited primarily for assistance in transporting valuable cargo on the way from Damascus through Tuzla and Zagreb to Western countries, which may have a decisive influence on the West's decision to help our Muslim brethren in the Balkans." The "valuable cargo" is bombs with nerve gas or combat poisons, which are partly in Damascus, while some of them are at the Dubrava air base near Tuzla. There are also agricultural aircraft there which have been suitably renovated for this purpose, while even high-ranking Bosnia-Herzegovina Army officers cannot enter the base without special permission.

[Box, p 5]

In addition to the ISDB, the Islamic Solidarity Fund [ISF], with the mediation of Rifaz Assad, the brother of Syrian President Hafez el Assad, has also started to provide aid to the Balkan Muslims. According to the same sources, this is to be used primarily for improving Muslims' living conditions, and also to support their battle and strengthen mutual solidarity. So far they have allocated a full $500 million for actions in the Balkans, and part of that money is fictitiously depicted as humanitarian aid.

RSK Command: Croatia Trying To Provoke 'Major Conflict'

LD1008155893 Belgrade TANJUG in English 1445 GMT 10 Jul 93

[Text] Knin, August 10 (TANJUG)—The former Yugoslav Republic of Croatia is trying to provoke at any cost a major conflict with the republic of Serb Krajina (R.S.K.) by frequently opening fire at its army positions in hinterland of the Adriatic Coast and in the Lika Region (sector north), the R.S.K. army command states on Tuesday.

Croatia is also trying to justify its aggression on the R.S.K. by accusing its army of the conflicts, the statement adds.

It recalls that in the night of Monday-Tuesday Croatian forces opened artillery fire at Serb villages near Obrovac in the Adriatic Coast hinterland. The Croatian Army also on Monday shelled the R.S.K. army positions in the areas of Zadar and Benkovac, in the Adriatic Coast hinterland and attacked Gradacac (sector north).

The R.S.K. army does not respond to the Croatian Army provocations, the statement says.

It notes, however, that the R.S.K. army will not allow the Croatian side to use Zemunik Airport and the Peruca dam, until Croatia has honoured the provisions of the Erdut agreement.

Under the agreement, signed on July 16, Croatia undertook to withdraw its troops from the R.S.K. territories it occupied in June last year and January this year, but failed to meet its obligations so far, despite the warnings from the Security Council.

The R.S.K. authorities had allowed Croatia to open the Maslenica bridge and Zemunik Airport to civilian traffic.

The R.S.K. army commander, General Mile Novakovic said in an interview to AFP on Monday that the R.S.K. armed forces were strong enough to defend their territories, if necessary.

More than 800 civilians were killed and over 10 thousand driven out of their homes, in Croatia's January aggression on the R.S.K., which is under U.N. protection.

Delegation Head Says Talks May Be 'Real Beginning'

LD1108075193 Zagreb Radio Croatia Network in Serbo-Croatian 0700 GMT 11 Aug 93

[Text] Prior to his departure for Geneva where negotiations with Serb insurgents are to be resumed, Slavko Degoricija, head of the Croatian delegation, said that this is the continuation of the Vienna negotiations. This means that we will discuss a cease-fire, and we are ready to continue talks on political and economic topics if this is achieved, Degoricija said. We are leaving with specific assurances from UNPROFOR [UN Protection Forces] and the international conference that the Serbs are ready to sign a cease-fire agreement this time, Degoricija added, saying that this may be a real beginning of the peaceful resolution of the Serb question in Croatia.

Security Council Discusses Maslenica Bridge Situation

LD1008145293 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 10 Aug 93

[Text] We begin our bulletin with a report from the 19th session of the Council of Defense and National Security. The sitting was chaired by Croatian President Dr. Franjo Tudjman. The council debated the current position regarding the Maslenica pontoon bridge, which has been put out of action following treacherous attacks by Serb rebels who are also preventing repair operations. The Republic of Croatia will repair the bridge and put it back into operation immediately because, for technical reasons among others, traffic across the Pag island bridge has to be restricted as soon as possible, or even stopped altogether; an expert report on this is awaited.

The council warns that all those preventing the repair of the bridge must be aware that they will be called to account in accordance with the penal statute of the Republic of Croatia for terrorist acts against the civilian population; and the Croatian Government will seek to have them brought before an international war crimes court. The authorities of the Federal Republic of Yugoslavia and Serbia in Belgrade bear a great responsibility, for it is clear that without logistic and other support, such aggressive obstruction of Croatian peace efforts toward reaching a political solution and normalizing the situation would not have been possible.

The relevant bodies of the Croatian authorities have lodged their protests and will reiterate their demand that UNPROFOR [UN Protection Forces] secure a cease-fire and ensure supervision of the rebel Serbs' heavy artillery in the areas under UN protection in the spirit of the UN resolution, and in keeping with the aims and tasks for which the UN forces are present in Croatia. The justification for UNPROFOR remaining in Croatia is measured by the success in achieving these aims.

The need for an unconditional cease-fire and to secure free traffic and so forth in the spirit of Resolution 847, and the will to implement this, is at the same time the measure of the seriousness of the rebel Serb side for genuine negotiations, which are to be continued with them over the next few days.

The council backed the publicly voiced intentions of the representative of the Serb National Party for more active work among Serbs in Croatia, and at the same time summoned all other Serbs in Croatia to openly support the ridding of extremists, who are continuing to hamper the normalization of relations, by Serbs in the areas

under the protection of the United Nations, in accordance with the constitutional and legal order of the Republic of Croatia.

The council also discussed the recent letter sent by Alija Izetbegovic, president of the Presidency of Bosnia-Herzegovina, to Croatian President Dr. Franjo Tudjman explaining that the reply is based upon the consistent stances of Croat state policy.

'Terrorists' Continue Shelling Bridge

LD1108072293 Zagreb Radio Croatia Network in Serbo-Croatian 0700 GMT 11 Aug 93

[Excerpt] Serb terrorists continued shelling the building site of the Maslenica pontoon bridge overnight. Between 2300 last night and 0530 this morning, Serbs based in Meka Draga in Krusevo fired around 15 shells on the bridge area. [passage omitted]

Serb National Party Leader Asks Milosevic for Support

LD1008164593 Belgrade TANJUG Domestic Service in Serbo-Croatian 1257 GMT 10 Aug 93

[Text] Zagreb, 10 Aug (TANJUG)—Milan Djukic, president of the Serb National Party from Zagreb, has sent a letter to President Slobodan Milosevic of the Republic of Serbia, asking him to receive representatives of his party who are planning to go to Belgrade.

"You are one of the most important personalities in the political reality of former Yugoslavia, and at the same time the president of the Republic of Serbia, the land of our origin and the home from which we derive," Djukic stresses in the letter, a copy of which he sent to the TANJUG correspondent in Zagreb.

We believe, Djukic says, that the present political crisis and war can only be resolved through the establishment of a long-lasting and just peace, and that we should talk with you about precisely this, for we consider that in "this humane and peaceable effort you can render us great assistance."

"By giving a positive response you will do a great deal for the survival and civil status of the Serb people in the Republic of Croatia, as well as for the well-being of all citizens of former Yugoslavia," the Serb National Party president from Zagreb concludes his letter to Slobodan Milosevic.

Granic Discusses Refugee Issue With Mazowiecki

LD1008185893 Zagreb Radio Croatia Network in Serbo-Croatian 1700 GMT 10 Aug 93

[Excerpts] Tadeusz Mazowiecki, UN special envoy for human rights, arrived in Zagreb early this afternoon. He had talks with Croatian Prime Minister Nikica Valentic, and afterwards with Foreign Minister and Deputy Prime Minister Dr. Mate Granic. [passage omitted]

Minister Granic described in detail the content of his talks with Tadeusz Mazowiecki:

[begin Granic recording] Mazowiecki's mission this time is quite specific. He discussed with me the problems of care for refugees and, in particular, some actions by the state organs aimed at checking on the status of foreigners. I gave the firmest assurance that Croatia will, as hitherto, strictly respect international humanitarian law, as Croatia has done throughout the war in Bosnia-Herzegovina. It should be pointed out that Croatia has looked after almost 900,000 refugees from Bosnia-Herzegovina and that at this moment it is looking after 278,000 refugees. [passage omitted] [end recording]

Discusses Policy on UNPROFOR

AU1008202693 Zagreb VJESNIK in Serbo-Croatian 2 Aug 93 p 1

[HINA report: "Another Sixty Days for UNPROFOR?"]

[Text] Croatian Deputy Prime Minister and the Minister of Foreign Affairs Mate Granic returned to Zagreb on Sunday afternoon [1 August], after several days visiting the UN in New York.

He had talked to the UN Secretary General, three under secretaries, all the mission heads of permanent and other members of the Security Council, and to the German ambassador to the UN. They mostly discussed a possible new mandate for the UNPROFOR [United Nations Protection Forces] in Croatia, the protection of the "pink zones," and the situation in Bosnia-Herzegovina.

As Granic said upon arrival at Zagreb airport, Croatia was sticking to its view that it will not extend the UNPROFOR mandate, unless, in the next two months, it proves that its mission is effective. In a letter to the UN Secretary General on Saturday, Granic recalled that Croatia had requested that UNPROFOR be politically, functionally, and contractually divided among Croatia, Bosnia-Herzegovina, and Macedonia. "In the UN, Croatia had the opportunity to explain about the suffering of the Croats in central Bosnia and inform the international public about the Muslim aggression and the occupation of ethnic Croatian territories in Bosnia-Herzegovina," said Granic. He added that this had attracted close attention because the topic had not yet been covered by the media.

"I think that we can conclude that this was the right move at the right time. That does not mean that there will be no more pressure on us, particularly regarding Maslenica, for the moment," Granic warned. He said that the Security Council had proposed a far sharper presidential statement regarding the implementation of the Erdut agreement. "It is a better balanced one, because it also has a formulation that rebel Serb forces cannot enter the area, which will come under UNPROFOR control. On the other hand, there are no more ambiguities concerning the views of Croatia in two months, when this mandate expires," the deputy prime minister of the Republic of Croatia concluded.

NATO Plane Crashes Into Adriatic

AU1108120293 Paris AFP in English 1156 GMT 11 Aug 93

[Text] Zagreb, Aug 11 (AFP)—A military plane likely belonging to NATO forces crashed in the Adriatic Sea Wednesday around 12:15 p.m. (1000 GMT) south of the Croatian island of Pag, the Croatian interior ministry said.

Two crew members ejected from the aircraft according to the ministry statement, quoted by the HINA news agency. The type of plane was not stated.

Helicopters and a coastguard launch were taking part in a recovery operation, the report said.

Further Eletricity Cuts in Split, Zadar, Sibenik

LD1008161893 Zagreb Radio Croatia Network in Serbo-Croatian 1100 GMT 10 Aug 93

[Text] The Croatian electricity industry has informed the distribution centers in Split, Zadar, and Sibenik that consumers will be switched in to the electricity grid at 1900 hours instead of 1700 hours as hitherto stated. Because of technical difficulties, power reductions in the Dalmatian grid started at 0100 hours last night, instead of at 0700 hours this morning. Electricity shortages have been exacerbated by power units being out of order, and a 52-mW gas power station, which would have substantially improved supplies, has not yet been built because of opposition from residents of Kastel and Omis, where the best technological conditions for the station exist.

Autonomy for Istria Considered

AU1108104093 Zagreb VJESNIK in Serbo-Croatian 1 Aug 93 p 9

[Article by Zeljko Kruselj: "The Traps of the Desire for a State Within a State"]

[Text] Is Istria fleeing from Croatia? This rather unpalatable question, arises in public more and more frequently, especially after the nervous reaction of official Zagreb to the positions of the Istrian Democratic Congress [IDS], the party that reflects the opinions of two-thirds of the Istrian population. The recent requests for the "autonomous status of Istria within Croatia," accompanied by the threats that in that county "certain centralist laws will not be implemented," could lead to serious incidents, which would have negative consequences for the development of Croatian democracy in the long run. What, naturally, makes the dialogue of the Istrian leaders with the Croatian authorities especially difficult is the overlapping of that painful dialogue with the "Krajina" requests for a "state within a state," the acceptance of which would lead to a serious destruction of Croatian statehood.

Though Jakovcic's party [IDS] never confirmed it Croatian President Franjo Tudjman mentioned in his latest parliamentary address that there are within the IDS growing tendencies toward forming a "special Istrian nation," which would be the basis of the "autonomism." Another means for achieving that goal would be the introduction of bilingualism in the administrative and legal system of the county of Istria, though according to the latest census the Italians make up only 7.5 percent of the local population. If Opatija, as a geographic and historical part of Istria, would be added to that, the figure would decrease another percentage point.

The statistics thus show that the national character of Istria is not questionable in itself, concerning the fact that there are 70 percent Croatians, which is not considerably lower than the average for the entire Republic of Croatia. Why does the problem of "autonomism" arise to such extent, even at the price of political flirting with certain political circles of neighboring Italy, and precisely at the time of a revival of irredentism?

Two Reasons for Dissatisfaction

There must be only two sound answers to the question. The first, simpler one, relates to the current political and economic situation in Croatia, which is significantly slowing down the development of Istria. Though spared the war destruction, Istrian tourism, being in the general situation of "neither war nor peace," is largely below the former levels, while the market regularities have taken their toll in industry too. If we connect that to the claims of the leader of the IDS that in the process of transformation of ownership as much as 90 per cent of the funds goes into the national treasury, with complete uncertainty about any of it ever returning to the local economy, the dissatisfaction with the central government is understandable. If, moreover, we add the present legal treatment of the local self-management, which seems to have been designed to create new regionalisms, then there are only a few political steps to autonomism as a relevant program, concretely expressed in the concept of "Europe region."

The other answer, which for the Istrians poses special barriers in the understanding of Croatianness in the psychological sense as well, emerges from the specific historical development of the peninsula. In spite of Croatians having been the majority in the area for centuries, Istria was, in the state and legal sense, included in Croatia as late as 1945, and even then its development was not firmly based on traffic and economic connections with the rest of the Republic. An attempt was made to make Istria more Yugoslav than any other region, with the wrong conviction that this was the right way to oppose Italian irredentism.

Since Yugoslavia disintegrated after all, part of its inhabitants were not fully aware of whether they were really Croatians, "Istrians," or still "Yugoslavs." In the municipality of Pula, for instance, according to the 1981 census, there were as many as 13,130 "Yugoslavs," while

10 years later the figure decreased to one third, but the number of the "Istrians" increased from 1,173 to 10,270. This is not a question of "mimicry" of the Pula Serbs, Montenegrins, or other national minorities, including the Italians, as their statistical share did not change significantly in that period, but it is a question of the ethnic identity of the indigenous population, which was gradually losing its Croatian characteristics. An identical process occurred in all the municipalities of Istria, save for the more Croatian Opatija, where in 1991 there were as many as 37,654 "Istrians." To emphasize their "national" particularity, the "Istrians" increasingly turn to the Italian language, assuming the identity of 15,627 real Istrian Italians.

The Short-Term "Idyll"

The voluntary Italianization of the Istrian Croatians can be rationally explained only as a specific expression of the political protest about the slowed-down economic development in relation to the neighboring countries, but also about various material benefits that the Istrians, as one-time Italian citizens, had been receiving from official Rome. The most striking example is that of the high military pensions for those who were members of the Italian Army until 1943, which means the ones who occupied Croatia in the name of Mussolini, and, moreover, the membership of the Italian minority was lately being recognized by issuing work permits more easily.

How, despite everything, short-term an "idyll" this actually is, is best proven by what was happening in Istria for centuries. Croats began settling in Istria as early as in the 9th century, mainly on the east part of the peninsula and in the hinterland of the Romanized towns on the west coast. The power of the Byzantines, Franks and Venetians alternated here, entwined with certain feudal autonomies. After the fall of Venice, and the breakdown of Napoleon's Illyrian provinces, Istria was part of the Habsburg monarchy until the end of World War I. In 1846, according to the language principle, the first detailed census was done, showing 134,455 Croats, 31,995 Slovenes, and 60,040 Italians. It was characteristic of that census that the culturally superior population was shown preference, as each Istrian who spoke some Italian was entered in that ethnic community, which was passed on to the later censuses.

The process of the awakening of the national consciousness started in Istria later than anywhere else. Systematic work on it was started in 1860 by Bishop Juraj Dobrila, the follower of Strossmayer's Yugoslav ideology. The first Croatian newspapers and cultural societies were started, and even parties, politically allied with the Istrian Slovenes, which was the only way of opposing the Italians and the Italian intelligentsia that had lost their national identity. It was only the second round of revivalists, lead by Matko Laginja and Vjekoslav Spincic, who incorporated the ideology of the Party of Right into this battle, and with it a more profiled Croatian politics. At the turn of the centuries the Istrian Croats gained prevalence in the Istrian Congress, as in the elections for the Austro-Hungarian Imperial Council.

This is, however, when the new historical change took place. The Austro-Hungarian Empire disintegrated, and what destiny had been intended for the Croats within Italy was best seen immediately after the occupation of Istria in 1918, which was mostly ratified by the Rapallo agreement two years later. There followed a most brutal expulsion of the Croatian population, so in the 1921 census only 90,000 Croats were left, with any public activity in the Croatian language being banned, for the Italianization of Croatian names and family names to be legalized soon as well.

The terror that took place then, accompanied by the rapid worsening of the economic situation, was reflected in the revanche that followed in the last days of World War II.

Political Sophistry

The Yugoslav penetration to the River Soca, which lead to the well-known "Trieste crisis," had as consequence the mass banishment of Italians, particularly those colonized in the period of the fascist rule. The problem of material compensation for the confiscated properties of the evacuated Italians has become topical again, especially as Croatia asked for another ratification of the Osimo Accords. It is indicative that some leaders of the IDS fully support the request, stating that there were as many as "200,000 people" who had left Istria by the end of 1950 for political and economic reasons.

As Jakovcic's party, parallel with this, swears upon the achievements of the antifascist struggle, in which the same Italian population had a modest share, it is indicative that the issue is that of political sophistry in which Italian irredentism is quite an efficient means for exerting pressure on the "detested Zagreb." If the game takes the wrong direction, it will certainly be shown that to the Irredenta both the Croatians and the newly formed "Istrians" are one and the same, but in that case Croatia will be left without its largest peninsula.

Domestic Policies Criticized

AU1108081093 Zagreb DANAS in Serbo-Croatian 6 Aug 93 p 15

[Article by Josip Jovic: "Istria—A State"]

[Text] The bottle is open, the genies have flown out. The proposed bill on local self-management has remained far in the background, only as a cause, capped by the controlled and uncontrolled, rational and passionate idea of regionalist egoism and regional antagonisms. Dalmatia against Slavonia, Slavonia against Herzegovina, Istria against Zagorje, and all of them against Zagreb, including Zagreb itself. Why not, indeed? Zagreb gives the state budget 40 per cent of the funds, and half of that returns. History leaves deep traces, the seeds of

discord have been sowed deep and wide. It will take much wisdom, patience and, above all, tolerance.

The Istrians, or, to be more precise, their leading party, are at the front. They are talking about the "fatal days" for Istria (what about the fate of Croatia?). In the already created atmosphere of feeling endangered there is talk of this region as a colony, and, worse than ever before, there is mention of the "tradition of the struggle for the emancipation of historically oppressed Istria." However, the spirit of feeling endangered is giving way to a spirit of revolution and here we are, the "famous, stormy days" are being announced, a possible referendum soon (on what?). For a start, the laws of the Republic of Croatia will be suspended on the peninsula should Delbianco deem them as endangering Istrian interests. Yes, they, obviously at their wits' end, will still try to solve their problems within Croatia, and if they do not, then they will ask for international arbitration. (Perhaps even acceptance into the United Nations?) The leaders of the Istrian movement have gone round the European Community and, they say, they have strong support in Europe, especially from the neighbors, which should not be doubted. On the trip around Europe they were condemned by Ivan Pauletta, who said that they must first try to solve problems within their own state. The visit of the leading officials of the Istrian Democratic Congress [IDS] to the president of the Croatian state was met by fierce reactions within the party itself. Why should we appeal to them?

There are rumors of the IDS having "inspirational relations" with Italian parties (without restrictions?), while they have created a union with other regional parties. Is it for the great friendship and love or as a defense union against a common enemy? The idea of a transnational region gains ever more weight, and, for the time being, it is not completely clear what independence is in question when an "independence of the economic, political and cultural activities" is demanded, nor what is implied by a special status, different from the status of the other regions (why?).

For the matter to be even more terrible, causing a mild chill, the Italian state itself has acted, first giving pensions to soldiers who served in the Italian Army up to 1943 (imagine what Croatia would be told if it did that for all of its fighters?), and then generously offering Italian citizenship to all Istrians. It is enough that ones ancestors lived in the Austro-Hungarian Empire, that is, in the parts that belonged to Italy after the disintegration of the black and yellow monarchy. And then again, the inevitable questions; what would Austria be told if it were to offer the rest of us Austrian citizenship, or the Turks, if they were to distribute their citizenship across the Balkans? What is it, or what would it be, but an introduction into territorial pretensions, and not only a historical ressentiment and a correction of the past. The IDS keeps silent about this and confirms how justifiable is the request for the compensation of the evacuated Italians for confiscated land, also confirming the fantastic figure of 200,000 evacuees.

The leading political party of the region in which the population is over 70 percent Croatian (while, for the 7 percent Italians, bilingualism is demanded) is acting as a state within a state, moreover, as a state partner, and arrogant at that. It emphasizes its interests, not paying attention to the suffering of others. It is asking for the regionalization of Croatia at the moment when it is painfully and dramatically fighting for its integrity.

Among other things, it is demanded that at least 50 percent of the taxes collected in Istria remain there, and the proposed act on agricultural land, which gives the state the right to control it freely (not possibly because of Istria), is being refused, and it is already clear that "there are individuals who expect the surrender of the land." However, all realistic and reasonable demands have been covered by smoke and fire. The legal proposals are used to deepen the antagonism, precisely at a period of vulnerability for Croatian foreign policy.

On the other hand, not all the remarks of the Istrians can be discarded, as they are not alone. There are demands from Dalmatia, Slavonia, and Medjimurje for the greater authority of municipalities, towns, and counties. The creators of the state politics and the creators of the law must show more cooperation and tolerance, and not everything need be, generally and in detail the way it is conceived by those at the top, who too often act as if it would hurt their dignity if they made a concession. It is as if they want to make up for the too many international concessions by relentlessness at home. Why should the head of a county not be the person willed by the citizens of the county rather than the head of state, why should only those whom Zagreb trusts be on the management boards, why should some jobs that are better done from underneath not be given to those underneath?! If the rope is tightened, it must break. The "by all means" policy and using the formal authorities to impose standpoints without reservation creates autonomists and rivals out of those who are not, to the joy of those who are. If there is not enough political wisdom, a new front will have to be opened, against the people. The saying "Where politics ends, war begins" applies here too.

Assembly Fights for Decentralization

AU1108094793 Rijeka NOVI LIST (TJEDNI NOVI LIST) in Serbo-Croatian 31 Jul 93 p 1

[Article by Neven Santic: "Istrian Democratic Assembly Strikes at Centralization"]

[Text] We have to admit that very few governments in the world are faced with so many problems and unsolved questions than the HDZ [Croatian Democratic Community] and politicians who represent and implement its politics. However, they do not even deserve partial amnesty because of that. They themselves created most of the problems and keep creating new ones, regardless of the price of political solutions they offer. They do so in the case of legal regulations as well, particularly

regarding the demarcation between local self-government and government administration. As we move closer to the voting on controversial laws, there is more and more controversy regarding their contents.

"What Is Hidden Behind Laws?"

What is the catch? What made the IDS [Istrian Democratic Assembly] leaders strongly confront central authorities a couple of days ago and the head of Istrian County to send a letter to Stipe Mesic, president of parliament, in which they oppose centralist solutions? Is this just a fight between centralists and decentralists, who can only be ignited by the IDS these days?

The Law on Determining Activities From the Domain of Self-Government of Local Self-Government and Local Government Units and the Law on the System of Government Administration have a certain importance in the demarcation of competence of local and central authorities, which, politically speaking, also implies stronger or weaker influence on events in a certain area. Those might be important, but it seems that they are not crucial laws that would disunite bureaucrats in Zagreb and factors of power on lower levels. Outside the focus of interest of the public eye, wrapped up in "expertise," parliamentary procedure still needs to undergo the so-called specialist laws that have significant latent competencies as well as power. Laws on farmlands, forests, maritime property, on taxes and the like, should answer the question who will govern what and collect the yield.

"Masters and Decoration"

It is understandable that both local authorities and the government are interested in original financial earnings, for they could provide them with the initiative in creating development. However, the proposed solutions do not aim to satisfy both sides but assign most of the funds to the government as the only "wise" subject who knows who needs what and how. In a nutshell, that means that the HDZ as the ruling party, through the state apparatus that it controls, would be the only master of state property, the only collector and distributor of money, while local authorities, made up of representatives of different (opposition—on the level of government) parties, would be a mere decoration. Without real power and the chance to prove that they are able to govern, there would be nothing for them but to hope for a mercy of state leadership and await the end of their mandate. The Law on Financing Local Self- Government, which is also being prepared, municipal and city councils, as well as county assemblies, might provide funds for their functioning, but it is debatable whether that would fully satisfy their voters, who expect local authorities to bring them a better life.

It is not difficult to guess why it was exactly the IDS who so fervently revolted against centralist solutions. On the one hand, it is a regional party that sees itself primarily as the promoter of interests of Istria and its citizens. On the other hand, the majority of the voting body of the largest Croatian peninsula is behind the IDS, which gives it confidence in action, not found anywhere else but in the HDZ, which is on the other side of "barricades" anyway. All Istrian town and municipal councils, county assembly, and its heads, act like one, at least concerning "rendering justice" with Zagreb.

"Eternal Derby"

There is one more reason why the IDS wants to raise media and institutional dust over centralist tendencies of present Croatian authorities, accompanied by a slow emergence of the country's new territorial and administrative system. This is an "eternal derby" with the Istrian HDZ, which takes every opportunity to pick on the IDS. So, at a press conference in Pazin last Tuesday, one of the HDZ leaders, Ratko Ferencic, said the following: "Had the IDS realized local government and self-government, the situation in Istria, even regarding social welfare, would be much better today." Mr. Ferencic either does not know who really "deserves credit" for the fact that local government and self-government was not realized or his words had a completely different purpose.

The latter is more likely—to suggest to the public that the IDS does not work in the interest of Istria, that it only talks about it, and when you call someone to account, it is difficult for the person to defend himself, regardless of his innocence. It is not very likely that Ferencic does not know that the least was done in constituting authorities and efforts to make them function exactly in those counties controlled by the HDZ. Those counties did not go further from selecting heads of counties and their deputies, waiting for some "better" times. HDZ representatives in the Assembly of the County of Primorje and Gorski Kotar even requested that the county leadership not be formed until laws that will determine its authority are adopted and it starts functioning properly. Therefore, the IDS voice against centralism and curbing local self-government is also a voice of opposition to the Istrian HDZ and a message to voters saying that we should not blame someone who could get electrocuted but the one who did the wiring.

"Decentralization Only for Itself"

However, the protest of the IDS, or better yet, the tone dominating that protest, raises another issue of importance for the Croatian political scene, which is crucial for the state's further development. Does the IDS want the decentralization only for itself? The issue was also discussed in parliament at the session of the Chamber of Counties, where they started debating about how much Istria gave to Croatia and how much it got back, about what Istria wants or does not want to accept, and what the IDS is for and what it is against. Both the viewpoint of the IDS and that of the Istrian County leadership, can, in that context, be summarized in the statement of Ivan Jakovcic, president of Istrian regionalists, according to which "Istria has its unique ways and can, therefore, not be the same as other counties."

Let us leave Croatian war reality aside and the fact that the destiny of each of the 23 counties is different regarding the extent of war damage and economic devastation. Moreover, the question of minimum solidarity from counties and regions that were not directly damaged by war with those parts of Croatia for which the war is still the reality, surpasses political and economic reasoning and extends to moral dimensions of the behavior of every authority, party, or individual. We should let the competent ones worry about that on the level on which it should be done; they will have to account for it anyway. However, at this moment, it seems more interesting to view the thesis on Istrian uniqueness in the framework of the plight for a decentralized and effective Croatian state.

Indeed, Istria is unique but so are other counties or regions divided by county boundaries. Lika, Medjimurje, Slavonia, and Dalmatia also have unique characteristics that should be taken into consideration on the level of Croatian state. The fact that Slavonia and Dalmatia are divided into several counties does not change anything. Political will of the ruling party cannot, for example, annul historical, cultural, and economic unique characteristics of the two regions that present a valuable contribution to integration processes in Croatia. Therefore, the question is to what extent the insistence on the uniqueness of Istria, without paying enough attention to the uniqueness of others, cuts the bough that the IDS stands upon.

If a political group cares about decentralization or something else, then political logic suggests that it should look for allies, especially if its opponent is a party like the HDZ. One gets the impression that the "front" of parties inclined toward decentralization and a different idea about the organization of Croatia is large enough so that we could soon witness significant pressure on the government. Emphasizing its position and viewpoints, the IDS, however, provokes the odium of the authorities, while, at the same time, squabbles with other opposition parties, i.e. its potential allies.

"In the Position of an Icebreaker"

The self-adequacy of the IDS is justified if the party sees the HDZ as the only real partner with which they can communicate and even come to some agreements. However, the "threats" that they will introduce their own laws in case centralization is legalized, as a token in a possible settlement with the ruling party, according to President Tudjman, who recently repeated that he will not allow the regional breaking up of Croatia, do not have the desired effect. Moreover, the IDS complaints in the circles of "patriots on duty" are immediately used to put the party in the dock, accused of not caring for the rest of Croatia and autonomist inclinations, whereby automatically weakening its "negotiating position." Its firm viewpoint and the perseverance to keep fighting for decentralization and rights for the existence of local self-government put the IDS in the position of an icebreaker. The IDS is the only party that is able to clearly define this tendency at the moment. The majority of other counties under the HDZ rule do not even think about anything like that, and in the few remaining ones ruled by other parties, intricacies of interrelations do not allow similar actions. But the IDS cannot win this battle on its own, simply because it is too weak for that and is in great need of political allies. Moreover, the ruling party could completely draw the attention of the public to the "radicality" of IDS demands and, pretending to prevent "such phenomena," it may totally freeze the discussion about local self-government and tailor it according to its liking.

All this makes us wonder. Does the IDS solo and confront everybody because its revolutionary character is the only way to keep it coherent and hide the differences within the party or did they choose a wrong political approach that does not care about allies in reaching the planned goal? Whichever holds true, there is a danger that local self-government and decentralization of Croatian state will reap the least benefit from it.

Solution to Krajina Problem Elusive

93BA1313A Zagreb VJESNIK in Serbo-Croatian 24 Jul 93 p 4

[Article by Ivica Marijacic: "Maslenica and Zemunik: Announcements Which Do Not Seem To Promise Peace"]

[Text] In a few days, when the pontoon crossing at Novska Gorge is covered with a special asphalt mixture and opened to pedestrian and vehicular traffic, its further destiny and purpose will depend, it seems, on factors on which the builders and participants in traffic cannot essentially influence. We are talking, of course, about the security situation that will persist in that "hot" area of the Zadar hinterland. Judging by the announcements and belligerent rhetoric coming from the rebel ranks on occupied Croatian territory, there is still no hint of peace, and even traffic on the pontoon crossing will be questionable. Which brings us to the question of all questions, and that is this: how to achieve a lasting political solution that will also guarantee permanent peace. The Knin Serbs see the recent agreement with the Croatian Government solely as their return to that line of demarcation which they had in January before Operation Maslenica. When they agreed not to hinder the erection of the pontoon, and they hampered it to the last moment (they were quiet only as the pontoon bridge was being declared open), they already saw themselves and their "krajina" with a "customs" crossing to Croatia on the other shore of Novska Gorge. If the agreement were really to signify that, that would then mean that Operation Maslenica in late January of this year was in vain and that the crisis has not only not moved off dead center, but has taken a step backward.

More or less all the Serbian powers that be, regardless of shades of difference in their views, are saying that the "countdown" to 31 July has begun, by which time, they think, the Croatian forces must withdraw. If they do not

do so, Milan Martic, Knin "high sheriff," is saying that his forces will destroy the pontoon bridge. He certainly does not intend to design a better fate for another important facility opened recently, the airport at Zemunik, which the chetniks are only about 4 km away from, somewhat less than in the case of the pontoon crossing. The attempt at new negotiations and elaboration of the recent agreement fell through the other day in Geneva, because the Serbian rebels did not consent to a cease-fire. Their refusal to consent to a suspension of military activity almost nullified everything else on which agreements have been obtained, because what sense does it make even to talk and to work out anything else in detail if the Serbian guns are hitting the positions of Croatian defenders and the civilian population in Croatian cities and settlements?

Laborious Negotiations

The negotiations with the representatives of the local Serbs are laborious and lengthy. It has barely been possible to agree on the agenda in the course of several months. The failure in Geneva only indicates what the general public knew long ago: Without a concrete political solution, we can hardly expect any essential progress in establishing specific communications links either. The most important thing is how to restore Croatian sovereignty on the occupied territory. It is obvious that peaceful and diplomatic-political means are not working, because the representatives of the Serbs want an equal status of statesmen in the negotiations, and they perceive their rebel creation, the "krajina," as equal to Croatia. The political platform from which they operate in Geneva and everywhere where they turn up is in disparity with the Croatian political platform. It is not possible to seek between those two political options common points of contact at which progress would be built. The factors in world politics and intermediaries in resolving Croatian difficulties are offering the opposite route: They want to resolve Croatian frustrations and problems by a detour, top down, by establishing highway connections, by putting power lines, oil pipelines, and all other connections in service, assuming that the logic of life will drive the Serbs to gradually come back under the cover of Croatian sovereignty. But all of that will be very hard going, because this continues to leave the essential issues to one side. It would be of little benefit to Croatia, for example, if the people of Obrovac sell water from the Zrmanja to the people of Zadar for foreign exchange, as they have already offered, through a water supply system which Croatia built at a high cost, and if the Croats who were driven out of that area and had their property destroyed still are not allowed to return. That form of establishing connections would be psychologically, politically, and morally intolerable for Croatia. It is hard to imagine, say, that drivers from Dalmatia traveling to Zagreb by the Lika Highway would pass through any kind of "customs" checkpoints with the sense that they are in another state. Even if Croatia should swallow that bitter pill, all because of world imperatives, who would guarantee the safety of cargo and passengers? By all appearances, nothing will come of that, and there will be no progress until an entire political solution is achieved, that is, until the occupied areas are finally brought back under the Croatian constitutional and legal system. This is the crucial issue, everything else can be used for a parade and review of momentary and short-lived values, because the general circumstances are not changing. Bridges and airports, hydroplants and water supply lines can be opened, but if the chetniks fire on the bridge, the airport, if they close or open the valves according to their whim at the moment, then there is no solution.

What Does "Serbian Police" Mean?

The new date toward which the attention of the public is being directed more and more is the last day of July. If Croatia should actually behave according to the impression one gets from a superficial and approximate reading of the recent agreement, then that would mean that Serbian forces would come to Smokovic, Kasic, and Islam Grcki. Once again, that means nothing except that the occupiers would cut the Adriatic Highway at two points, in the section between Zadar and Novska Gorge. Which means there would be no traffic on it, and then even the pontoon crossing is unnecessary. Which is, of course, how the Knin powers to be have interpreted the agreement. For Croatia, however, the phrase "Serbian police" must not mean anything other than policemen of Serbian nationality serving within the Ministry of Internal Affairs. As such, they can come to those three places. It is quite certain that this will not be accepted by the present rebel authorities in Knin, and it is certain, unfortunately, that after that date they will use military capability to prevent traffic through Novska Gorge and the airport at Zemunik. They will attack those facilities, because they are aware that this is a trump card with which they can constantly blackmail Croatia. The UNPROFOR [UN Protection Forces] has so far not prevented them from doing this, and no one in world diplomacy is even paying attention to the fact that the Serbian army has been constantly attacking Croatian cities and the civilian population in them.

The conclusion that follows from those premises is certainly not optimistic at all with respect to the possible subsequent course of events. This only confirms the thesis that there is no essential improvement of the situation until the Croatian problem—the issue of Croatian sovereignty on the occupied territory—is solved. Regardless of how!

Measures To Improve Dalmatia's Energy Supply

93BA1287A Zagreb DANAS in Serbo-Croatian 16 Jul 93 pp 12-13

[Article by Boze Cubelic: "Closing the Electrical Circuit"]

[Text] The irregular supply of electric power to customers is disastrous for the economic and social development of any country. That is why electric power

facilities were in fact one of the enemy's key targets in the aggression against Croatia. Many facilities suffered, especially those in the transmission network, and some of the generating and transmission facilities are on temporarily occupied territory. Dalmatia has found itself in the most difficult position, because the 400-kv [kilovolt] and 220-kv long-distance transmission lines which connect southern and northwestern Croatia pass through occupied territory and are not under the supervision of the Croatian Electric Power Industry [HEP] and the Republic of Croatia. Material for the repair of those long-distance transmission lines was even offered on several occasions during negotiations with the enemy side, but without success. The war in Bosnia and Herzegovina, the destruction of the Mostar TE [Thermal Electric Power Plant] and the Mokro Polje TE, and the detonation of explosive charges on the dam of the Peruca storage reservoir on 28 January 1993 turned Dalmatia's electric power system into an "island." In that isolated system, the HEP was forced to satisfy consumption in that area exclusively from hydroplants on the watershed of the Cetina.

This isolated electric power system of Dalmatia, with hydroplants as the sole sources of power located in that region, covers about half of the necessary quantities of electric power in an average hydrological year. That is why back in October 1992 the HEP drafted a program of short-term and long-range measures to improve the reliability of electric power supply to that region. Among the short-term measures, it is important to mention the acquisition of electric power from thermal plants in Bosnia-Herzegovina; the technical conditions existed for that, but this did not work out because of the events of the war. The Dubrovnik HE [Hydroelectric Power Plant] recently went on line, but its operation will depend on a combination of circumstances and the understanding of the Vucurovic side. The acquisition and installation of small and medium-capacity diesel units in Dalmatia is also a solution with a limited range.

It is much more important to build the 110-kv island link from Melini across the islands of Krk, Rab, and Pag to Zadar. Some of the facilities of the island link have already been built, some are under construction, but for some the project documentation is just now being prepared. It is estimated that that link could be completed in early 1994, which would permanently guarantee the Zadar area the transmission of 50 mW [megawatts] of power. The most important move is certainly to link up the damaged 400- and 220-kv high-tension networks which pass through the occupied territory, because the only alternative to that is building a transmission line that would pass Velebit on the south and link northwestern and southern Croatia from Senj to Sibenik. There is neither technical nor economic justification for that solution, and it would signify acknowledgment of permanent occupation of a portion of the territory through which the transmission line passes and is now in the hands of the chetniks.

But the real solution for reliable supply of electric power to customers in Dalmatia is to build a thermal electric power plant fired with imported coal with a capacity of about 350 mW, because it is the lasting commitment of the HEP to base its future development on the use of natural gas, imported coal, and the remaining hydropotential that is economically acceptable. Diesel power plants do not provide that kind of solution, because it is questionable that the necessary quantities of that expensive fuel can be obtained.

We are still far from permanent solutions for electric power problems. Only liberation of the occupied areas will make it possible to resolve the difficult power situation over the long haul. Until then, there is nothing left for Croatia except expensive improvisations.

Federal

FRY Official Warns NATO Against Bombing

LD1008190193 Madrid RNE-1 Radio Network in Spanish 1800 GMT 10 Aug 93

[Excerpts] In Bosnia, two wars are being waged, and the second is a war of threats. [passage omitted]

In El Escorial, FRY Deputy Prime Minister Zeljko Simic has been participating in the university summer courses. He said there today that NATO intervention would not bring peace to Bosnia-Herzegovina, that it would only serve to extend the conflict.

According to Simic, if the bombing is carried out, the United Nations would never again be recognized as an institution that represents the interests of all countries. Simic also made a veiled threat:

[Begin Simic recording in Serbo-Croatian fading to Spanish translation] In the event of this happening, we will have applied to reality what Dostoyevskiy said: If God does not exist, everything is permitted. [end recording]

Prime Minister Appeals to Russian Foreign Ministry

LD1008141493 Belgrade TANJUG Domestic Service in Serbo-Croatian 1019 GMT 10 Aug 93

[Text] Belgrade, 10 Aug (TANJUG)—Vladimir Lukic, prime minister of the Srpska republic [SR], informed the Russian Federation [RF] Ministry of Foreign Affairs by letter today that the SR government "has halted all military activities around Sarajevo" and that "all installations on Mount Bjelasnica and Mount Igman have been put under the control of UN forces, whose observers are already disposed over the area."

In his letter, a copy of which was sent to the TANJUG editorial office, Lukic stresses that "when the UN forces are in a position, in terms of numbers and deployment throughout the area, to guarantee the neutrality of this territory, our forces will withdraw altogether."

The SR prime minister notifies the RF Foreign Ministry that humanitarian aid convoys are passing unhindered through the entire territory of the SR, including those intended for Sarajevo, and that the SR government has ordered that "two new crossings into and out of Sarajevo, one in the direction of Mostar, the other in the direction of Zenica, be opened."

"Despite what we have done to remove the alleged reasons for foreign aggression against the SR, the threats and blackmail have not diminished: Indeed, our information indicates that these are increasing almost to the extent of the well-known action of military aggression by a number of Western countries," the letter emphasizes.

"Your country, as one of the leading world powers, surely ought clearly to voice its disagreement with the policy of threats and violence, and thereby to help create a favorable atmosphere for successful continuation of the peace talks in Geneva, that is, for a peaceful end to the war on the territory of former Bosnia-Herzegovina," the letter sent by the SR prime minister to the RF Foreign Ministry states.

Prime Ministers Call For 'Vigorous' Economic Measures

LD1008214293 Belgrade TANJUG in English 2130 GMT 10 Aug 93

[Text] Belgrade, Aug 10 (TANJUG)—Prime ministers of the F.R. [Federal Republic of] Yugoslavia and the Yugoslav republics of Serbia and Montenegro Radoje Kontic, Nikola Sainovic and Milo Djukanovic agreed on Tuesday that the priority task of their governments was to curb the hyper-inflation and stop the decline in production and the standard of living in the F.R.Y.

The three prime ministers agreed to form a working group which will immediately prepare energetic economic measures which they will meet to later this week or early next week, the Federal Information Ministry announced.

The main causes of the current economic and social situation is the unprecedented international blockade of the F.R.Y., the unconsistent implementation of economic measures and inadequate functioning of legal state, the prime ministers set out.

They said the negative economic, financial and social trends cannot be overcome unless the sanctions were lifted, but added that radical macroeconomic measures could at least alleviate them in current conditions.

Dafina Milanovic Accused of Financing War Efforts

93BA1262D Ljubljana DNEVNIK in Slovene 16 Jul 93 p 11

[Article by Maroje Mihovilovic: "Dafiment Banka Is Empty"]

[Text] *With the help of two swindlers, the Serbian authorities have obviously taken people's last foreign exchange away from them.*

The Belgrade press agency TANJUG is citing facts from unofficial but reliable sources and reporting that on Monday evening the customs authorities of the so-called FRY, at the Kenebija border crossing on the Hungarian-Yugoslav border, stopped the famous Dafina Milanovic, the owner of Dafiment Banka, the largest Serbian private bank. After three hours of questioning they forced her to return to Belgrade. The agency states that she returned to Belgrade after talking with people who were brought to the border crossing in a BMW automobile with a Belgrade license plate. Although it does not state so directly, one can conclude that these were members of the State Security Service. No official body in Belgrade wanted to

give any explanation of this. Only Dafiment Banka published an official communique confirming that on Monday evening Dafina Milanovic was not allowed to leave the so-called FRY. The bank is convinced that this was an accident and a disagreement that will be quickly smoothed over, so that Dafina Milanovic will be able to travel abroad, where she planned to conduct business talks at several branches of her bank abroad. On the way, she also allegedly planned to lay a wreathe on the site where her husband and two children died in Hungary last year in a traffic accident.

The TANJUG report, of course, immediately started rumors that Dafina Milanovic wanted to flee abroad for good, as her colleague Jezdimir Vasiljevic, owner of what was then the second largest Serbian private bank, Jugoskandik, did four months ago. The affair is very important to many Serbian citizens, since 8 million depositors have several billion dollars deposited in Dafiment Banka, and they are all afraid that what happened to Jugoskandik's depositors will happen to them, i.e., that they will be left without their savings. Depositors placed money in both banks because they paid incredibly high interest, even 15 percent a month. Such high interest rates were not justified by anything, and consequently everyone who is at least a little familiar with monetary matters had to expect that both banks would fail sooner or later, since no bank can keep paying such high interest for a long time. Jugoskandik failed at the beginning of March, and Vasiljevic fled to Israel with millions of dollars. Depositors then rushed to Dafiment Banka to withdraw their savings, since they were afraid for them. To be sure, Dafiment Banka has not officially failed, but at the beginning of May it stopped paying interest and principal. It announced a reorganization, and promised that it would pay the savings deposits to depositors sometime later. Dafina Milanovic gave assurances that she would never abandon her people, that she would not flee abroad, and that she would settle all the debts, but few people believed her. Admittedly, the Serbian regime did not even allow the bank's formal failure, since that would cause a social uprising in the country, and the bank even repaid smaller deposits and interests so that it would seem to people that nothing had happened. The truth had to come to light, however. Dafiment Banka really has failed, and there are no more savings deposits.

Serbian newspapers are openly hinting that Jugoskandik and Dafiment Banka were only tools in the hands of the authorities, which wanted to extract the rest of the foreign exchange from the socks and mattresses of Serbian citizens and pay for social peace for a while through high interest rates at banks. That lasted for approximately a year, and then the system collapsed. Everyone is wondering where the money that Dafina Milanovic and Jezdimir Vasiljevic gathered from their depositors is now. They also grabbed something for themselves, but only a minor part of what the depositors deposited in their banks. In one way or another most of the money was poured into the state funds for financing Serbian business abroad, purchasing strategic raw materials, and financing the war. Many people can say that Jezdimir Vasiljevic used the money to support the Serbian war efforts, since many people were involved in secret purchases. Dafina Milanovic also revealed an unusual detail in that role.

On 3 July 1992, a serious traffic accident happened near the Hungarian region of Szekesfehervar, in which Dafina Milanovic lost her husband and two children. She was left with her oldest daughter. The unfortunate woman and mother, as customary in Serbia, showed her grief through a paid death notice in Belgrade's POLITIKA. It was precisely in her case that POLITIKA made an exception: the rule at that newspaper with a history of many years was that death notices were always of the same form and size. Dafina Milanovic, however, was able to publish a death notice covering an entire page, and moreover for two days in a row, and her closest relations also received half a page for a death notice. During the following days POLITIKA also published other death notices, i.e., public statements of regret and sympathy over the loss of Dafina's family members, which were signed by the president of the so-called republic of Serbian Krajina, Goran Hadzic, along with the Krajina presidency and government, the head of the Bosnian Serbs, Radovan Karadzic, both covering a quarter page of POLITIKA, Zeljko Raznjatovic-Arkan, Serbian Minister of Refugees Brana Crncevic, and many others, including also Prince Vladimir Karadjordjevic. They did not publish the death notices because they were Milanovic family friends, but rather because they felt obligated to do so. The family tragedy thus revealed something that had already been said for a long time in Belgrade: that the Serbian government made it possible for brokers Jezdimir Vasiljevic and Dafina Milanovic to establish private banks illegally and take money away from people that could then be used to finance the war in Croatia and in Bosnia-Herzegovina. That is why Goran Hadzic, Radovan Karadzic, and the criminal Arkan publicly expressed sympathy in exchange for what Dafina Milanovic had secretly done for them.

Secrecy Over Attempt To Cross Border

93BA1294B Belgrade BORBA in Serbo-Croatian 16 Jul 93 p 3

[Article by J. Sarcevic: "Under the Veil of State Secrets: 'She Arrived and Returned in the Company of the State Security Service'"]

[Text] Subotica—The answer to the question how it could happen that Dafina Milanovic, owner of the "Dafiment Bank," was returned on Monday night from the Kelebija border crossing, from which, in her words, she intended to travel to Szekesfehervar to visit the site of the accident involving her family and, afterwards, to continue her trip to visit some banking institutions in Europe, continues to remain under the veil of state secrets.

The fact that in the "Majur" coffee shop, which is located in the vicinity of the border crossing itself, as we find out unofficially, sat Mihalj Kertes, in the company of Milan Jerinkic, head of the Subotica Secretariat of the MUP [Ministry of Internal Affairs], and "some important businessmen," only confirms that which a customs agent at the Kelebija border crossing told us unofficially yesterday.

"You're writing nonsense in the papers," he told us. "Customs did not hold Dafina Milanovic at the border crossing or return her. We only did our part of the job—we performed a routine check. The SDB [State Security Service] returned her from the border. They also came with her."

To our question how was it that the SDB came with the owner of the "Dafiment Bank" and then returned her, we got the following answer:

"Well, she is under supervision, don't you know?"

We did not learn whether Mihalj Kertes was in the BMW that, as we were already told on Wednesday, returned Dafina Milanovic to Belgrade, or whether her name is on the list of those who are forbidden to leave the country. It was only confirmed to us that such lists exist and that names of criminals and owners of falsified passports are on them.

That which is said in Subotica about the case of the unsuccessful attempt by Dafina to cross the border is the information, also from the border, that a large sum of foreign exchange which, allegedly, belongs to Dafina Milanovic has been confiscated from travelers in the last few days.

It is also being learned at the border that Dafina Milanovic, on the occasion of her attempt to cross, did not have a diplomatic passport or anything similar, but the usual travel document, as an "ordinary citizen of the FRY."

Measures To Prevent 'Brain Drain'

93BA1312G Belgrade POLITIKA in Serbo-Croatian 16 Jul 93 p 10

[Article by S.M.S.: "Stop the Departure of Young Experts"]

[Text] Girls in Serbia like science, which is backed up by the response for the competition for young researchers organized last month by the Ministry for Science and Technology. For every young man there were two girls applying, and that means 63 percent of the 550 candidates.

The participants, as was expected, included those with master's degrees, postgraduates and graduates whose average grade was not less than "9" (8.5 for technical-technological and biotechnical sciences), and they know at least one foreign language and meet the age requirement. Scientific articles, awards in contests, various certificates (for example, "best student in their age group"), and the like were taken into account.

High Grades

According to the early results, 107 of the applicants just missed qualifying. Among the qualifiers, there are the postgraduates (67 percent), and then the graduates (30) and M.A.'s (3 percent). One out of every five is under 25, and nearly 90 percent are under 28. They live in 50 towns in Serbia, but most of them are living in Belgrade.

"I am declaring publicly that we will not accept anyone who does not fulfill the conditions so that no one tries to come to us with 'connections,'" the gathered journalists were told yesterday by Dr. Slobodan Unkovic, professor and Serbian minister of science. "All those whom we accept will from the beginning of September receive the so-called 'working stipend,' and will be involved in research programs under supervision of a mentor. At the end of the year, we will collect the grades and decide who will get a scholarship and who will not. Many who prove themselves can hope to have steady employment until the end of next year!"

It is particularly gratifying that the applicants have had above-average success in their studies: grades between 8.5 and 8.99 (and this applies only to the technical-technological and biotechnical sciences) by 20 percent, between 9 and 9.49 by 45 percent, between 9.5 and 9.99 by 24 percent, and "straight 10" by 2 percent. Two-thirds know a foreign language, and almost a third uses two foreign languages.

Most for Medicine

A sufficient number of young people applied for all fields, but most, 27 percent, for medical sciences. This was followed by natural sciences and mathematics (14 percent), technical and technological sciences (17 percent), biotechnical sciences (8 percent), social sciences (6 percent), cultural and historical sciences (7 percent), and technological development programs 21 percent. Bearing in mind that more people than needed applied for certain fields, the Ministry for Science and Technology will try to satisfy everyone. In essence, they were looking for 250 young people with a gift for science.

The processing of the applications received will be completed by 20 July, and then the committee for experts will propose to the other committees who is to be accepted where. The final assignments to research programs will be made public on 15 September, but the "work stipend" starts on the first.

"The main objective of all this is to slow down the 'brain drain,'" Minister Slobodan Unkovic emphasizes. "In September, we are advertising a competition for the Republic Young Talent Foundation. Out of a desire to halt the very rapid attrition of young people, we have established a connection with our better-known researchers in the world. We will set aside money to invite them to come as lecturers in postgraduate studies.

In any case, of all the money which the government has earmarked for science and technological development this year, we will spend 14 percent on young people."

Serbia

'Four Rival Armies,' Possibility of Air Strikes Viewed

AU1008131293 Belgrade BORBA in Serbo-Croatian 6 Aug 93 p 10

[Commentary by Borislav Solesa: "Phantom Defends Sarajevo"]

[Text] Colin Powell, chairman of the U.S. Joint Chiefs of Staff, and his colleague John Shalikashvili, also an American general but of Georgian origin (Stalin's fellow countryman), who occupies the post of NATO commander, have already prepared the "American whip" that is to be brandished over Bosnia-Herzegovina (as well as over Serbia and Montengro). A dreadful steel flock intended for destruction, killing, and demolition is ready to take off from the Italian bases Aviani and Brindisi, from the Kennedy, Roosevelt, Arc Royal, and Clemenceau aircraft carriers, which are constantly or occasionally present in the Adriatic. What is involved are combat aircraft, fighters, and bombers with famous names and the latest technology. Their accuracy is impressive. The fact that somebody may nevertheless have a rough landing can console nobody.

The possible U.S. attack may be targeted at the units that control the most important region around Sarajevo and which, experts assess, could break the defense of the Bosnia-Herzegovina capital with manpower and heavy artillery.

Americans Do Not Trust Karadzic

It seems the Americans do not much trust the statements that Radovan Karadzic, president of the Srpska republic, sent from Geneva out to the world when he reiterated that the Serbs do not want any laurel wreaths nor do they want to defeat Croats and Muslims, so they are not going to attack and occupy Sarajevo but want to reach agreement about it as a divided and open city. The fact that the Serbian forces are the masters of Mt. Bjelasnica and Mt. Igman and that all roads leading toward Sarajevo and eastward, that is, toward the Drina are thereby closed seems to make the Americans think differently.

There are therefore many threats with attacks against Serbian positions, particularly against guns and howitzers, that is, the artillery units stationed at Trebevic and on many other hills around Sarajevo. The assessments by foreign military observers that the Srpska republic's army possesses about 90,000 soldiers, some 300 tanks, and about 1,000 guns, and that its combat readiness is far above that of the so-called Army of Bosnia-Herzegovina and the Croatian Defense Council together (!) are particularly carefully examined.

Although Operation Deny Flight has nailed the Bosnian Serbs' air force to the ground—except for helicopters transporting the wounded—the Western alliance's generals have certainly not forgotten the potential possessed by General Zivomir Ninkovic. Mladic's air force commander has about 40 quite decent aircraft and helicopters. The Americans could easily chase this fleet from the Una to the Drina, particularly as several officers with the task of precisely guiding the aircraft were positioned in the Sarajevo district of Kiseljak (under Croatian control) during the preparations for Operation Deny Flight. What is involved is a miniature, albeit extremely efficient flight control service which should be used for the guidance of Tomcat, Falcon, Phantom, Jaguar, Super Etendard, Sea Harrier, and Tornado aircraft toward ground and air targets.

The fighter or reconnaissance version of the Yugoslav Orao [eagle] aircraft (it was produced in the Mostar Soko plant before the war) or the Jastreb [hawk] fighter-bomber—the aircraft possessed by the Serbian side—could by no means represent a real air response to an attacker. Orao is an extremely powerful twin-jet combat aircraft with a twin-barrel "GS 23-mm" gun and a speed of 1,150 km per hour, but it is not in the same class as its potential rivals. The situation with the Jastreb is similar. The Russian medium-weight Mi-8 transport helicopter also has a combat version equipped with sieve-like launchers for non-guided rockets, but it also represents no reply to assumed attack. This also applies to the armed version of the Gazela helicopter, the Gama, equipped with Malyutka rockets for fighting armored vehicles, transporters, and tanks.

What bothers Shalikashvili and particularly Powell—who has written several times to the U.S. Congress and U.S. President Bill Clinton about this matter—is the existence of at least four rival armies. Apart from the above-mentioned Serbs, there are also Muslims with some 70,000 soldiers, Croats with 50,000, plus the "additional" section, that is, the help of the regular army (Corps of the National Guard) of the Republic of Croatia. Then, there is also the fifth factor—the "blue helmets," nearly 26,000 soldiers from Britain, France, Spain, Ukraine, Kenya, Nigeria....

"Black Swans" and "White Eagles"

How is one to attack Serbian positions on Mt. Bjelasnica or Mt. Igman when the "blue helmets" are also there? Or, how is one to "aid" Muslim formations in the vicinity of the Sarajevo district of Nedjarici when the lines of separation between the fighters are at places only 6 meters wide?

If in Baghdad and Mogadishu, instead of the bunkers of Saddam's and Aideed's officers and artillery shelters, U.S. pilots and "clever" missiles hit schools, hospitals, kindergartens, and hotels with Tomahawk missiles, why would they be more accurate in Bosnia? It is impossible to tell the Muslim "black swans" from the Serbian "white eagles."

The location of plants producing for the army is not best suited for an aggression on the Serbs. The Soko plant is in the ruined Mostar, in which battles are being waged between Croats and Muslims. The same military formations are fighting around Novi Travnik where the Bratstvo plant the producer of a complete range of guns, including the Orkan multiple rocket launchers(!), is stationed. Fuses for artillery and other weapons were produced by the Slavko Rodic plant in Bugojno while the Croat-Muslim harmony lasted, but Croats have now been thrown out of the town.

The foreign planes could also target the bridges on the Drina (a detailed plan exists about that), but as they are along the border, whoever would be shooting at them might easily hit innocent people in Mali Zvornik, Bajina Basta, Ljubovija, or some other places in Serbia. The war conflagration would thereby extend to Serbia. Does that suit Europe? Or the United States? We hope not.

Opposition Official Beaten by Masked Attackers

AU1008171193 Belgrade POLITIKA in Serbo-Croatian 7 Aug 93 p 6

["R.R." report: "Predrag Cokic, Member of the Serbian Renewal Movement, Beaten Up"]

[Text] Predrag Cokic, member of the Main Committee of the Serbian Renewal Movement [SPO] from the village of Kovacevac near Mladenovac, was beaten up yesterday shortly after midnight. As we have learned, two attackers wearing masks barged into Cokic's house and maltreated everybody they found there. Apart from Cokic, injured was his wife (the attackers bound her to a chair with handcuffs), his son, and a brother in law.

As we have been told by SPO deputy Dr. Aleksandar Taskovic, he had visited Cokic together with Slobodan Rakitic and Milan Mikovic and the attack took place after the three SPO leaders had left.

Predrag Cokic was transferred to the neurosurgical ward of the first aid center for, as Taskovic put it, serious injuries to the head and eye.

The motive for the attack has still not been established, but it seems that the assumption of another act of political violence is most probable.

Sandzak Resembles Sarajevo Just Before War

93BA1308C Podgorica MONITOR in Serbo-Croatian 4 Jun 93 p 28

[Article by Radoje S. Petrovic: "Searches and Arrests"]

[Text] Although trade is one of the most important branches of the economy in Sandzak, the smell of gunpowder is killing off all activity. It is encouraging the horsemen of the Apocalypse to engage in horrible campaigns.

"The situation in Sandzak is similar to the one in Sarajevo in the period immediately before the war broke out," says Dr. Rasim Ljajic, vice president of the SDA [Democratic Action Party] for Serbia. "The inertness of the international community is encouraging the Serbian nationalists who are committing unprecedented terror. The repression is taking on ever greater proportions every day."

Expulsion of the Muslims

An assembly of citizens was held last Saturday in Novi Pazar following proper notification and approval of the Serbian MUP [Ministry of Internal Affairs]. A few thousand citizens of Sandzak demanded "freedom of movement" and "return of the kidnapped Muslims." In the presence of a delegation of the CSCE, a unanimous demand was sent to the Serbian authorities to stop repression by the police in Sandzak, which could be a prelude to much more serious incidents.

The fear in the people is obvious. No one is certain where he will be at dawn. Searches and arrests have become a part of everyday life. The Serbian MUP has announced that after these searches it arrested 11 citizens "in whose possession they found a sizable quantity of illegally obtained weapons, ammunition, uniforms, and other military equipment." The press release goes on to state that "the first results of the investigation indicate that this was a group with a terrorist background, and some of the weapons and military equipment were obtained illegally from Turkey and Albania." The press release of the Serbian MUP observes in conclusion that the people arrested "were organized into commando groups which had been trained in bases and camps of the Turkish Army."

In the SDA, they deny all this and say that the army and police are trying to provoke a state of war in Sandzak. They say that in just some 20 days the "Serbian-Montenegrin police, without any order or authority whatsoever, conducted searches of 288 Muslim houses on the territory of Novi Pazar, Sjenica, and Tutin Opstinas." About 40 Muslims, they say, were arrested, and a small portion of them was released.

Out of fear that the Bosnian tragedy might be repeated in their case, a new exodus of Muslims has begun. So far, over 60,000 have moved out of Sandzak, and if it continues at this rate, all 100,000 Muslims will leave their homes. That would mean more than a third of the total population of Sandzak would be outside the borders of the country.

"The objective," Dr. Ljajic says, "is to make an ethnic break between the Sandzak and Bosnian Muslims. The government is doing this deliberately and methodically, step by step, that is, city by city. Thus, first Pljevlja and Priboj were exposed to torture, and now it is the turn of other cities. All of this also fits into the horrible plans of Vojvoda Seselj for the border between Serbia and Bosnia to be ethnically cleansed, that is, for there to be no Muslims to a depth of 30 km on the Serbian side. This

assertion is also supported by the data that today only a few Muslim households of elderly people live between Rudo and Priboj."

The Plateau Occupied

In the streets of Novi Pazar and other towns in Sandzak, there are more and more uniformed citizens. Almost the entire Pester Plateau has been occupied by the army and seized for its purposes....

"A convoy of 58 military vehicles passed through Novi Pazar on 23 May," Dr. Ljajic says. "Inside were soldiers with full equipment. Half of that convoy is stationed around Tutin and the remainder went in the direction of Pester."

The police forces are also increasing rapidly. Reinforcements are being brought in from other cities in Serbia, and even local Serbs are putting on police uniforms in large numbers. New police stations are springing up. For example, three new police posts have been set up between Novi Pazar and Rozaj (70 km). Dr. Rasim Ljajic, vice president of the SDA for Serbia, has felt the way the police train severity on his own skin. After they searched his dwelling twice a month ago, last week, when he was supposed to visit certain foreign embassies, he was detained more than four hours at the toll booth in Zubin Potok. The police found it suspicious that he had many newspapers and was carrying the Vance-Owen plan in his briefcase; it had been printed by BORBA, that is, that he had underlined certain parts of it. Criminal charges were filed against him.

"All of this shows the extent to which the Muslims in Sandzak are exposed to horrible government terror. On several occasions, we have appealed to the international community. We have asked for a strengthened presence of CSCE observers and indeed even blue helmets. Our assessment is that the danger of the fire of war being carried from Bosnia is much greater in Sandzak than in any other part of the former Yugoslavia. The conditions have already been created for this. There is a large concentration of the army and various military personnel, significant police forces are being brought in, and the public is now being prepared in the media for something that might possibly occur. The only question is whether the international community, after it has betrayed the Muslims in Bosnia, will also betray the Muslims in Sandzak?" says Dr. Rasim Ljajic.

Macedonia

Gligorov Stresses Importance of U.S. Presence

AU1008211193 Vienna ORF Television Network in German 1915 GMT 10 Aug 93

[Interview with Macedonian President Kiro Gligorov by Regina Strassegger; place and date not given—recorded; Gligorov statements in Macedonian with superimposed German translation]

[Excerpts] [Passage omitted] [Gligorov] It is obvious to us that we need international help here in Macedonia as long as there is no peace, as long as the situation in Kosovo is so tense and violent political forces are active in Serbia. They neither recognize Macedonia as an independent state nor do they adhere to international rules. [passage omitted]

[Strassegger] A few weeks ago, an uninvited guest from Belgrade announced his visit: Serbia's strong man Slobodan Milosevic. Commenting on the secret meeting, the reluctant Macedonian host, Kiro Gligorov, said:

[Gligorov] Milosevic assured me that no hostilities are planned against Macedonia. It is therefore absolutely unnecessary to deploy international troops in Macedonia. It was clear that he did not want this UN presence. What is more, he wanted Macedonia to be more compromising toward his ally, Greece, as concerns the name. I asked him: Why has Serbia, in contrast to most other European states, not yet recognized Macedonia? Why does he, Milosevic, permit propaganda that claims that Macedonia is part of Serbia? He was able to give me only an unsatisfactory answer.

[Strassegger] Are there indications that the Americans want to establish a military base in Macedonia?

[Gligorov] There is currently only a small number of Americans here, but they carry weight. It is a signal to all those who want to destabilize this region. This signal is valid for all, even for any hotheads in our country.

Economy Continuing To Decline

LD1008162593 Belgrade TANJUG Domestic Service in Serbo-Croatian 1218 GMT 10 Aug 93

[Summary] Skopje, 10 Aug (TANJUG)—The Macedonian Chamber of Economy reports that the economy of the Former Yugoslav Republic of Macedonia is continuing to decline. Though in the first six months of the year, monthly inflation was brought down to single figures, output in all branches of industry was down 15.3 percent on the same period last year; the situation is gravest in the metallurgical industry, which accounts for 25 percent of total output.

Machine-building fell by a record 58 percent, the chemical industry 33.2 percent, production of means of transport 27.9 percent, ferrous metallurgy 24.4 percent, and the production of electrical machinery and equipment fell 22 percent compared with the same period last year.

The Chamber regards the loss of the Yugoslav market and the economic blockade of the Federal Republic of Yugoslavia to be the main causes of the decline. Industrialists also complain about high interest rates and high taxation, and the increasing threat of the "gray economy."

Retail trading in Macedonia was 44.6 percent down in the first six months of this year compared with the same period in 1992. At the end of June, over 1,000 firms

employing over 80,000 workers were 570 million dinars (38 million German marks) in debt. Bankruptcy proceedings have been started for 390 enterprises employing 10,000 workers, with 245 million dinars in unpaid debts.

Kosovo

Serb Police Carry Out Raids on Albanian Homes

AU1008110393 Tirana ATA in English 1018 GMT 10 Aug 93

[Text] Tirana, August 10 (ATA)—Serbian police are continuing to carry out raids on Albanian homes and to make arrests. According to the Information Commission of the Vushtri branch of the Democratic League of Kosova [DLK], on August 7, 60 Serbian policemen surrounded the house of Islam Pllana in Shtitari village of Vushtri Commune. They also raided the homes of Mr. Pllana's four sons, arresting eight persons including Ramadan Pllana, a former political prisoner and currently member of the Vushtri section of the DLK.

Further, the DLK reports that the Serb police team raided the home of Fahri Makolli in the "Kodra e trimave" quarter in Pristine and also the homes of his father, uncle and brothers looking for arms which they failed to find. Nevertheless, they arrested and abused Azem Makolli, one of those present. On August 7, the Serbs arrested Selajdin Braha, secretary of the DLK branch and deputy in the Kosova Parliament. Later, the police raided the homes of Halim and Brahim Toverlani, in the village of Dumnica in Podujovo, again under the pretext of looking for weapons.

Police Arrest 17 Albanians on Terrorist Charges

AU1108103493 Pristina KOSOVA DAILY REPORT No 159 in English 10 Aug 93

[Unattributed report: "17 Albanians Face Criminal Charges for 'Illegal Activities'"]

[Text] Serbian Radio-Television and press reported yesterday and today on the arrest of 17 Albanians (16 from Kosova, one from Presheva in southern Serbia) in connection with, as they say, "illegal activities." Quoting the Serbian-installed Public Prosecutor's Office representative, Jovica Jovanovic, the Serbian media and press report that investigations are under way against members of two organizations: Levizja Popullore per Clirimin e Kosoves (LPCK) (People's Movement for the Liberation of Kosova) and Levizja Popullore per Republiken e Kosoves (LPRK) (People's Movement for the Republic of Kosova).

Seventeen Albanians (14 of them already in custody, 3 in flight), many of whom former political prisoners, face criminal charges for having allegedly committed illegal activities; Belgrade-based BORBA published today an article entitled Terrorists Prepared an Armed Rebellion. The LPCK members are reported charged with "arms supplies, propaganda, and organization of armed rebellion, as well as distribution of a Tract (named 'Tract') calling for an armed struggle." The members of LPRK are charged with having carried on activities "since 1989, in Kosova and the western countries, aiming at seceding parts of Serbia and Yugoslavia and unification with Albania through the use of forces."

The Serbian media say that the accused have been operating in Prishtina, Kercova (Former Yugoslav Republic of Macedonia) and Podujeva, carrying out their exercises mainly in the Podujeva area. These sources offer a list of weapons (light armament—automatic weapons and machine guns) and equipment these people were in possession of.

The daily BORBA does not hesitate at all to qualify the groups as "terrorist," but says that there is no evidence to substantiate that members of the groups were in connection with some of the incidents of this year in which Serb police was targeted. Although they do not refer to any official sources, Serbian newspapers and media, amongst which JEDINSTVO and the Serbian Radio and Television say that members of these organization could be in connection with/involved in some 'terrorist acts against the Serbian police.' (Some yet unclarified incidents which took place over the last couple of months in Kosova—in which Serb policemen were reported targeted - have been branded "terrorist acts perpetrated by Albanian terrorists," although nobody has yet been held responsible.)

Since 1981 many Albanians have been sentenced to long-term imprisonments for their political beliefs under the heading of 'Albanian separatism, secessionism, and terrorism.'

It is not clear, therefore, whether this last wave of arrests of Albanians is part of the Serbian regime's scheme for planting terrorism among the Albanians in Kosova so as to create an excuse for the mounting Serbian crack down on Kosova in the recent years and to discredit the Albanian democratic movement and policy of nonviolence the Kosovars have pursued, a movement which has secured international stature.

President Rugova of the Republic of Kosova told reporters last Friday in Prishtina at a press conference that the "Serbian regime wants to produce terrorism among the Albanians (in Kosova)."

Serbs Continue Three-Year Ban on Albanian Media

AU1008203193 Tirana ATA in English 1105 GMT 9 Aug 93

[Text] Tirana, August 9 (ATA)—August 7 marked the third anniversary of the Serbian ban on the Kosova Albanian language daily. This newspaper had previously served more that 3 million ethnic Albanians in Kosova as well as in other territories in the former Yugoslavia. It

was on August 7, 1990 that the Serbian Assembly arbitrarily and unconstitutionally voted to shut down RILINDJA. The assembly's decision was carried out immediately by armed Serbian police forces, which forced work stoppage both in the editorial offices and in the printing plant. The ban came only one month after the violent termination of the Albanian program on Kosova Radio and Television. Thus has the Serbian regime enforced a complete blackout of news in the Albanian language in order to hide the truth about Serbian violence. The Serbs have also been anxious to conceal the expression of the free will of the people as seen in the constitutional statement in support of independence of Kosova, the constitution of Kacanik, the referendum on Kosova as a sovereign and independent state, and the first multi-party elections of the republic of Kosova. The reporters and the whole staff of RILINDJA broke the information blackout by publishing information in the various Albanian language reviews including FJALA, KOSOVARJA, ZERI, SHKENDIJA, and BUJKU, which became a daily newspaper. The blackout was broken by the Albanian reporters from Kosova who were correspondents of radio and televisions centres, news agencies, and newspapers in other parts of the world. A particular role in this respect has been played by the ALBANIAN TELEGRAPHIC AGENCY and the Albanian Radio and Television.

As Serbian violence to suppress Albanian information in Kosova continued to be escalated recently with the creation of the so-called public enterprise "Panorama," destructive results were evident: Rilindja was totally eliminated and its premises expropriated. The Albanian language reviews have not been published for a long time now. The Albanian language daily BUJKU is still being published, but under great difficulties. The staff must pay for the use of its offices in the press building, and the paper is charged exorbitantly high prices for the printing and distribution of the newspaper. Several times Serbian authorities have threatened banning that newspaper as well, which would mark the total elimination of the Albanian language press in Kosova.